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## Senate

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Lord of all life, Who has made work in Government one of the highest callings and the formulation of public policy a crucial ministry, we ask You to help us bless this weekday and keep it holy. Give us a renewed sense of mission today as we go about the tasks of this day. Help us to find a solution to the present impasse over the disaster relief bill. You are present in this Chamber.

May we keep our attention on You as the only One we must please. With that ever present before us, we will work with excellence because we are accountable to You. So may every word we speak, every relationship we enjoy, and every task we tackle be done with a sense of Your presence. May we never forget why we are here—to serve You by being servant leaders of the people of our land. Living and working is a privilege. Thank You for another day in which we can do both with enthusiasm. In the name of our Lord and Saviour. Amen.

### RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. Thank you, Mr. President.

### MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now be in a period for morning business from the hour of 12 noon to 2 p.m., with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator HUTCHINSON of Arkansas from 12 to 12:30 p.m., and Sen-

ator DORGAN, or his designee, from 12:30 to 1 p.m.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

### SCHEDULE

Mr. LOTT. Mr. President, the Senate will be in a period for morning business until the hour of 2 p.m. to accommodate a number of Senators who have requested time to speak. At 2 p.m., it is my hope that we will begin debate on the supplemental appropriations conference report. We are working to get a 2-hour debate agreement on that supplemental conference report, of course, to be followed by a vote.

Then after that debate, the Senate will, hopefully, be able to begin consideration of the budget resolution conference report with 3 hours of debate on that. Therefore, Senators can expect votes on both the supplemental appropriations conference report and the budget conference report before the Senate adjourns this evening. I thank my colleagues for their attention.

I might also note, we hope to be able to confirm the nomination late this afternoon of Elizabeth Anne Moler to be Deputy Secretary of Energy.

I yield the floor, Mr. President.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Arkansas is recognized.

### CHINA'S MOST-FAVORED-NATION STATUS

Mr. HUTCHINSON. Mr. President, I rise today to voice my strong opposition to the administration's proposal to renew most-favored-nation status for China, and I rise as an original cosponsor of Senate Joint Resolution 31, the resolution of disapproval of MFN.

First and foremost, I want to recognize my good friend and colleague from

North Carolina, Senator JESSE HELMS. Over the years, Senator HELMS has dedicated himself to making this body and the American people aware of China's human rights record of abuse. I sincerely thank the Senator and his staff for their leadership on this very important issue.

Mr. President, yesterday, June 4, 1997, was the eighth anniversary of the violence in Tiananmen Square. It has now been 8 years since the suppression of prodemocracy protests in China; 8 years since the killing of hundreds of unarmed civilians by the army in Beijing. In 1989, we all watched with amazement as these courageous Chinese students marched in Tiananmen Square. Today, they are all gone.

During their struggle, they defied the tanks, they looked to the United States for inspiration, they quoted our Declaration of Independence and, through it all, Mr. President, United States policymakers have responded that economic engagement would stop China's abuses of human rights. As far as I can tell, it is, in fact, profit projections that are primarily driving our foreign policy.

How can the United States consider renewing MFN for China when the Chinese authorities still have taken no steps to publicly investigate the circumstances of the killings and bring to justice those found responsible for human rights violations? Instead, the families of victims and people attempting to gather information about those killed are themselves subjected to harassment and intimidation in a continuing attempt by authorities to conceal the facts of what occurred 8 years ago.

The Chinese Government defines the 1989 protest as a "counterrevolutionary riot." I believe this definition has been used since 1989 to justify the imprisonment of many people who are the victims of human rights violations. Thousands of political prisoners—thousands—arrested during the crackdown, including prisoners of conscience, are

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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believed to be imprisoned today. How can this Congress accept the administration's proposal to renew MFN for China? How can we stand here in good faith and look the other way? By turning a blind eye to this oppression in the interest of trade opportunities, I believe the United States is sending a clear and unmistakable message. It is the wrong message. The message to the Government of China is one of commendation rather than one of condemnation.

It has been almost 3 years since the United States formally delinked American trade with China for its human rights performance of abuse. So I say to my colleagues, much has changed in China in the last 3 years, but the changes that have occurred in China have not been changes for the better. We now see a human rights situation in China that is worse by every measure—persecution of Christians, forced abortions, sterilizations of the mentally handicapped, kangaroo courts for Democratic dissenters, incarceration of political dissidents, and, Mr. President, the near extinction of the expression of any opinion contrary to that of the Communist regime.

I am deeply concerned with the mounting campaign of religious persecutions waged by the rulers of China. Regarding China's deprivation of fundamental human rights and religious aspirations, continuing MFN to China is effectively equivalent to a policy of appeasement.

The Roman Catholic Church has been made, for all practical purposes, illegal in China. Priests, bishops, and people of faith have been imprisoned and harassed. For example, Zheng Yunsu, the leader of a Jesus family, a Protestant community in Shandong Province, is one of many people who are behind bars simply for practicing their faith. He was arrested during a police raid on the community in 1992. He was later sentenced to 12 years imprisonment for disrupting public order and "swindling." His four sons and other members of the group were also imprisoned. I believe that they are all prisoners of conscience.

Mr. President, such persecutions of religious groups has followed a substantial religious revival in China over the past 15 years. In the Christian community, much of the expansion has been in religious groups that conduct their activities outside the Protestant and Catholic churches still recognized by the government, though they are greatly restricted.

Many peaceful but unregistered religious gatherings have been raided by police, and those attending those services have been beaten, threatened, or detained, and many of those detained are required to pay heavy fines as a condition for their release. Those regarded as leaders are usually kept in custody and either sentenced to prison terms or administratively detained without charge, without trial. And this, Mr. President, is the regime to

whom we would grant most-favored-nation status.

In January 1994, two national regulations on religious activities came into force. Notably, Mr. President, they banned religious activities which undermine national unity and social stability. Under the broad rubric of these two regulations, any activity could be construed as undermining the Chinese Government and, therefore, constitute a threat punishable by arrest, prosecution, imprisonment and bodily harm.

These regulations also require that all places of religious activities be registered with the authorities according to rules formulated by China's Religious Affairs Bureau, an innocuous-sounding agency. This means, in effect, that religious groups that do not have official approval may not obtain registration and that those involved in religious activities in unregistered places may be detained and punished. Provided in these new regulations are detention and criminal penalties for any violation. And this is the regime to whom we would grant normal trade relations and most-favored-nation status.

During this past year, police raids on religious gatherings organized by independent groups have continued, with hundreds of Protestants and Catholics reportedly detained as a result. More than 300 Christians were reported to have been detained in what appears to be a crackdown by police on unregistered Protestant houses and churches. And this is the Government to whom we want to extend MFN.

I believe there is evidence of an intensified Chinese repression of religious liberty. This repression ranges from ransacking homes in Tibet in search of banned pictures of the Dalai Lama to destroying or closing 18,000 Buddhist shrines last spring. Ministers, priests and monks are routinely arrested, imprisoned, tortured and sometimes killed for the mere expression of their faith. For example, let's take the case of Pastor Wong, who runs 40 evangelical churches. He was released in December after a fourth arrest for spreading the Gospel. This time, Mr. President, the government captors broke several of his fingers with pliers. This is the government to whom we would like to extend, again, MFN.

I believe it is the obligation of the American Government to uphold the principles of democracy and freedom that we claim to espouse. By renewing MFN status to China, we are turning a blind eye to the oppressed in the interest of expanded trade opportunities. There must be some things that are even more important than the almighty dollar.

Mr. President, in Paul Marshall's critically acclaimed book, "Their Blood Cries Out," an authoritative book of religious persecutions around the globe, the case of Bishop Su is documented. During Bishop Su's 15 years in China's prison system, he was subjected to various forms of torture. One beating was so severe that the instru-

ment of the beating actually splintered. Then the police ripped apart a wooden door frame and used it to continue the beating until it, too, disintegrated into splinters. The bishop was then hung by his wrists from a ceiling and beaten around the head.

As appalling as this story is, in another encounter, this bishop was placed in a cell containing water at varying levels from ankle to hip deep where he was left for days unable to sit and unable to sleep. And, again, this is the regime to whom we would give most-favored-nation status.

Every year, countless numbers of people are detained without charge in breach of the law or sentenced without trial to years of reeducation through labor at the discretion of police and local officials. For those who are charged, sentences are frequently imposed after unfair trials, with the verdict decided beforehand. In many cases, such verdicts even carry the death penalty.

The Chinese legal system, like, I suppose, all legal systems, supports the established political and governmental institutions. However, it does not do so in a way that is consistent with the rule of law and fundamental human rights. The rule of law becomes subordinate to higher political goals, including the defeat of perceived political enemies within the nation of China.

The vagueness and contradictory provisions of the law in China lead consistently to Chinese arbitrary enforcement and provides an open invitation to abuse of power. Repressive criminal legislation and the extensive system of administrative detention means that virtually anyone can be detained at the whim of individuals who happen to be in a position of power.

As we discuss MFN for China, a vast array of laws and regulations continues to be used to detain or imprison political opponents or to warn political dissidents against opposition.

The Chinese say over and over again that there are no political prisoners in China. Such an assertion is absurd on the surface and it flies in the face of overwhelming evidence. People are routinely imprisoned because of their political views or beliefs, but are categorized simply as counter-revolutionaries, administrative detainees, or criminals. In January 1995, for instance, a Ministry of Justice official was cited as stating that 2,678 prisoners convicted of counterrevolutionary offenses were currently in jail. I believe, Mr. President, that this figure represents only a fraction of the real number of political prisoners held in China today.

Furthermore, I believe that this figure excludes many thousands of people who are jailed for political reasons but convicted of other offenses or held under various forms of administrative detention who have not even been charged or tried.

We all know that grave human rights violations have continued in China

since 1995. They range from the arbitrary detention of people who peacefully express their views to gross violations of the physical integrity of the person and their very right to life. Dissent and any activity perceived as a threat to the established political order continues to be repressed.

So as we debate MFN for China, thousands of political prisoners, including members of religious and ethnic groups, are in jail simply for expressing their views. Torture and ill-treatment continue to be common practices during arrest in police stations, detention centers, labor camps, prisons, and this often results in the death of these victims.

It is my understanding, Mr. President, that at least a thousand people have been executed in China since the launch of a nationwide anticrime campaign in 1996. I call out to my colleagues that we must put pressure on China to stop these mass executions, many of which are carried out after only show trials.

The political authorities in China have instructed the judiciary to speed up procedures to sentence offenders, including those liable to the death penalty. And I believe the result is untold miscarriages of justice.

If we grant MFN to China in view of these practices, then we too are guilty of a miscarriage of justice. If we renew China's MFN status, as the administration wants us to, then I think we are derelict in our duty, this Congress' duty to uphold the principles of dignity and fundamental freedoms.

If we really want to engage the Chinese, we have to show that we are willing to confront them when they break the rules. We have not done that. And we will not do that by granting them most-favored-nation status.

For 4 consecutive years, from 1991 to 1995, the Chinese Government has successfully used a procedural motion to block any resolution critical of its human rights record being debated by the U.N. Commission on Human Rights. Mr. President, no government should be allowed to choose the extent to which it will abide by international human rights laws. No government should be allowed to manipulate human rights issues to further its political aims.

Newspapers in early April reported that China has been selling Iran the components of chemical weapons for several years. This was one in an ongoing series of reports about the Chinese military. The Chinese are also said to be dealing in nuclear weapons with Pakistan, buying advanced jet aircraft from Russia, and contracting for Russian-made aircraft carriers equipped with surface-to-surface missiles.

This is the nation, this is the government, this is the regime that we say, "You deserve again to have most-favored-nation status renewed," a nation that has a growing military capacity, that is increasing its military defense spending, has an expansionist view of

its own territorial goals and has snubbed us at every turn in our seeking conciliation and moderation in their foreign policy?

It seems while the administration would like Congress to renew MFN to China, they were and are fully aware of China's supplying Iran, Iraq and other enemies of the United States with deadly weapons—conventional, chemical, and nuclear.

Robert Einhorn, Deputy Secretary of State for Nonproliferation, has recently stated:

These dual-use, chemical-related transfers to Iran's chemical weapons program indicates that, at minimum, China's chemical export controls are not operating effectively enough to ensure compliance with China's prospective obligation not to assist anyone in any way to acquire chemical weapons.

Mr. Einhorn has also confirmed reports that China has been providing Iran with advanced C-802 cruise missiles capable of threatening United States warships in the Persian Gulf. Moreover, Mr. President, he testified to a Senate panel that:

We have information of discussions between Iran and China about additional conventional weapons sales. We expect there will be more.

That is what our State Department is saying about China's export controls.

Mr. President, as for still other reports that China has been running a brisk sale of mobile, nuclear-capable M-11 nuclear components to Pakistan—2 years after it pledged not to do so—Mr. Einhorn said those reports are, in fact, correct.

Mr. President, I ask my colleagues, can China, under the current regime, be trusted to honor its treaty obligations? If China, our partner in engagement under the Clinton administration policy of constructive engagement, if China, our partner in engagement, supplies Iran, Iraq, and other enemies of the United States with deadly weapons, what in reality does that make China?

Mr. President, the biggest question of all in this year's MFN debate should be, is United States trade with China in effect subsidizing a military buildup that will soon threaten not only Taiwan, Japan, and China's other Asian neighbors, but even our own national security?

Mr. President, militarily, the administration has sought to strengthen Taiwan. We have shipped Patriot missiles to Taiwan, and Taiwanese pilots are at this moment in the United States being trained to use the F-16 jet fighters that America has also pledged to send to our ally.

When the Chinese in effect blockaded Taiwan during a missile-testing exercise off its coast in March of last year, the President—and I commend him—responded with a firm show of America's force dispatching the *Independence* in the area.

I ask, why, even though we deplore the Chinese military buildup in diplomacy and counter it in strategy, do we continue to help to finance it in trade?

Mr. President, these are some very serious questions that go unanswered by the administration in their attempt to renew MFN to China. I am very concerned with the administration's obvious neglect and disregard for the United States Department of State's "China Country Report on Human Rights" for 1996. Mr. President, the findings are absolutely horrific. I urge my colleagues to listen closely as I read one passage from this report. I quote:

Overall in 1996, the Chinese authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.

I repeat, "No dissidents were known to be active at year's end."

I continue the report:

Serious human rights abuses persist in minority areas, including Tibet and Inner Mongolia. Controls on religion and other fundamental freedoms in these areas have also intensified.

This report debunks the logic of engagement. We were told that the situation in China was going to get better. That is what I was told when I first came to Congress in 1993, that if we will grant MFN to China, if we will extend that again, that this policy of engagement would result in better human rights conditions in China. But they have not improved. The situation has only grown worse.

I am astonished that the administration can justify renewal of MFN status for China, with what is provided in the report: the sale of women, religious persecution, forced abortions, forced sterilizations, continued disappearances of political rivals, et cetera. This important and vital report, overlooked by the administration, clearly states there are no free dissidents left in China today—not one, none.

I understand the importance of trade. It is important to Arkansas. It is important to America. It is important to our farmers. It is important to our manufacturers. But, Mr. President, I am convinced either the President has not read the State Department's report and/or the administration has ignored its findings.

Furthermore, China's human rights abuses, as described by the State Department, should be met with a heavy price, not a prize. Granting China special status only perpetuates their illegal and indecent actions toward the Chinese people.

Some would say, you cannot talk that way about China. Some would say that this will offend China. But then Ronald Reagan had many critics when he called the Soviet Union the "evil empire." Our goal is not to isolate China, but to awaken China to its inhumanity to its own people.

Mr. President, before I yield the floor, I just want to make one more plea to my colleagues not to turn a blind eye to the oppressed in the interest of trade opportunities. I urge my

colleagues to stand up and voice their opposition to the treatment of the Chinese Government toward their own people. Mr. President, I urge this administration to rethink a narrow-minded, nearsighted, and unengaging solution to human rights abuses.

For 16 years—for 16 years—the United States has extended MFN status to China, and in doing so, we have tacitly endorsed everything from forced abortions to the sale of dangerous weapons to our enemies.

I was talking to one of my colleagues early this week, and I told him that I have looked for 3 years for some scintilla of evidence that engagement has worked, I would like to vote for MFN, but I have not seen any evidence at all that this policy has improved the condition of the Chinese people or improved the human rights situation for those being oppressed in China. His response to me was, "TIM, it takes time."

Mr. President, time has run out for the thousands and thousands, who, today, find themselves in prison, and the families who have lost loved ones because of the oppressive regime that rules China.

The United States must stand for something once again. The debate is about more than dollars and cents. It is about our values as a nation. Others of my colleagues have said, "Well, we can't tell them what to do domestically." I would simply raise the question that it seems to be that the evidence is mounting daily that they have sought to tell us what to do domestically through influencing American elections.

Eight years ago, the world looked on in awe and admiration for those thousands of students who stood with courage in Tiananmen Square. Tiananmen Square must not become a haunting but fading memory to the world and to the American people.

So I ask my colleagues this question: Does not a little part, a little piece of the soul of this Nation die every time we turn away and allow freedom to be extinguished anywhere on this globe?

Let us make a difference. We must confront China's abuses. The price of not doing so is simply too high.

#### UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT TO ACCOMPANY H.R. 1469

Mr. HUTCHINSON. Mr. President, I ask unanimous consent at 2:30 p.m. today the Senate begin debate on the conference report to accompany H.R. 1469, the supplemental appropriations bill, and there be 2 hours for debate, to be equally divided between the chairman and ranking minority member or their designees, and following the conclusion or yielding back of time, no further debate be in order, or motions to recommit, and the vote on adoption of the conference report occur at 5:05 p.m. this evening.

The PRESIDING OFFICER. Without objection, it is so ordered. And, without objection, rule XII is waived.

Mr. HUTCHINSON. I am also asked to report to the Presiding Officer that all Members should be on notice that a vote will occur at 5:05 p.m. this evening on adoption of the supplemental appropriations conference report.

I yield the floor.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

(The remarks of Mr. SHELBY pertaining to the introduction of S. 831 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SHELBY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE 100TH ANNIVERSARY OF THE 1897 ORGANIC ACT

Mr. MURKOWSKI. Mr. President, I rise today to advise my colleagues that yesterday, unfortunately, we were not in morning business so I could not make this statement, but yesterday marked the 100th anniversary of the passage of the 1897 Organic Act which created the Forest Service. On that day, June 4, 100 years ago, Congress passed the Forest Service Organic Act which allowed the first on-the-ground management of the forest reserves.

Prior to this date 100 years ago, forest reserves totalling approximately 17 million acres had been established in 1891 and 1893. In the spring of 1897, another 21 million acres of forest reserves were added to the system. This latter addition was the result of a Presidential Commission on National Forests established in 1896. The commission included notable scientific and conservation leaders at that time.

However, the addition of the second round of reserves was sufficiently controversial that Congress moved in early 1897 to attach an amendment to the 1898 general appropriations bill to eliminate the reserves and transfer the 21 million acres back into the public domain for disposal. Outgoing President Grover Cleveland pocket vetoed the bill on his last day in office. This created a situation in which the Government had no money to operate and the new President, William McKinley, quickly called Congress into an extra session on March 15, 1897, to reconsider eliminating the reserves.

In this special session of Congress a compromise was framed which took the form of the Forest Service's 1897 Organic Act and which restored the 21 million acres of forest reserves. I think it is rather ironic, Mr. President, as we consider today various and sundry conflicts over salvage riders and the management of various forests, including

the Tongass National Forest in my State, that 100 years ago Congress had the same kinds of conflicts. But the national forests that we have today serve as a living testimony to our ability to resolve those conflicts.

My understanding is that other Members will join me today, Senator SMITH and probably Senator CRAIG, with regard to further statements on the significance of this particular date, June 4, 100 years ago, 1897, and further elaborate on the circumstances and conditions of the forests and the transition that has occurred in that 100 years.

However, I think it noteworthy that there are many changes in the names, many changes in the boundaries of the national forests in the years that have followed that event 100 years ago, but the basic land areas that were set aside in the Western States between 1891 and 1907 are still with us today. From 1907 until today another 44 million acres have been added to our national forests, mostly in the Eastern States. These lands, for the most part, were old, worn out farms, lands that were cut over, but today represent some of the most important forested recreation and timber producing areas that we have in the Eastern United States.

The Organic Act of 1897 allowed for the organization and active management of the reserves by forest rangers rather than no management at all, which had been the case from 1891 until that time. The well-known and revered Gifford Pinchot was hired on June 25, 1897, and he recommended the adoption of three basic goals for the management of the forest reserves. The first was permanent tenure of forest land; the second was continuity of management; and the third was the permanent employment of technical trained foresters. Because the tradition within the Department of the Interior was to hire political appointees rather than technically trained foresters, Pinchot was successful in 1905 in securing the transfer of the forest reserves to the Department of Agriculture where it is today.

I think it is a little bit ironic that today the new Chief of the Forest Service is a political appointee who most recently served in the Department of the Interior. Nevertheless, technically sound management continues within the Forest Service.

The major section of the 1897 act was a statement of reason for establishing the forest reserves. The act stated, "no public forest reservation should be established, except to improve and protect the forest within the reservation, or for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessity of citizens of the United States." Let me repeat that: "securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessity of citizens of the United States." That was the purpose.

Mr. President, for the most part of 100 years of management of the reserves, the Forest Service has relied extensively upon the double provisions of water flows and timber. Today, however, with ecosystem management as the Forest Service envisions it, improving and protecting the forests seems to have taken the forefront. I, for one, believe that all three criteria are important to assure that we can continue the balanced, predictable, and sustainable management of our national forests.

One interesting difference from the way the world seems to work today is the way the Forest Service was able to complete the implementation regulations for the Organic Act by June 30, 1897. Today it is difficult for the agency to produce regulations in 25 months, let alone get the job done in 25 days, which is what they did in 1897.

Pursuant to the provisions of the Organic Act, which established the philosophy of active management of the forest reserves, the first national forest timber sale occurred in the Black Hills National Forest in South Dakota in 1899. This sale was offered in the spirit of the then recently passed Organic Act because Gifford Pinchot believed that the science of forestry could be applied to manage the forest reserves on a sustainable basis.

We will be displaying a photograph as I speak. I think it is noteworthy, Mr. President, to recognize the significance of what this represents, because I have here for my colleagues' attention an enlarged photograph of the first timber sale that occurred in the United States on national forest lands. This is how it looks today, Mr. President. I think you will agree that this photograph shows a healthy, well-managed forest, which 100 years later confirms Pinchot's belief in forestry and the renewability of the resource. Since the time of that first sale, forestry and forest practices have progressed exponentially, reflecting modern knowledge and technologies and a heightened concern for ecology and all of the ecological functions of the forest.

This picture is an actual portrayal of the area in question today. This area in the Black Hills National Forest in South Dakota was cut in 1899. I am going to have an easel put up so that during the remainder of my remarks it can be viewed.

Finally, Mr. President, the Organic Act of 1897, although modified many times by the Congress, set the standards for the management of the national forests for an entire century. The vast national forest lands were set aside, and they are still in existence to this day. Controversy about the management of those forest lands, of course, continues, much as it did a century ago. The national forests are still under attack from some quarters. Management is being pressured to change. Special-interest groups are highly polarized. But the fact is that there are national forests, and I think it speaks

well that 100 years ago a young country with vast resources would save and manage millions of acres for the people, and that is just what we have done. Were we less forward-thinking people then, as some people seem to believe we are today? If we were, there would be nothing left to argue about. But that is not the case.

In conclusion, Mr. President, for the most part, the legacy of the Forest Service for the last 100 years has been responsible stewardship by dedicated professionals within the Forest Service.

Finally, as a commemoration of today's anniversary, I am sharing with each of my colleagues a most important book on forest ecology called "Pacific Spirit: A Forest Reborn." This book, which was written by Dr. Patrick Moore, is going to be given to each Member of this body. Dr. Patrick Moore is a forest ecologist and is one of the cofounders of GreenPeace. That is a rather interesting reference. Here is a cofounder of GreenPeace writing a book on forest ecology—"Pacific Spirit: A Forest Reborn." It is interesting that Dr. Moore now advises the Forest Alliance of British Columbia, an industry-sponsored organization in Canada. Some Members might think it ironic that I would send my colleagues a work by a former GreenPeace activist and founder of GreenPeace. But Dr. Moore sums up his position in this way:

As a lifelong environmentalist, I feel the need to speak out because I cannot agree with claims made to the world by some of my environmentalist colleagues about the total destructive impact of forestry in general and clear-cutting in particular.

It is the final irony today, I guess, that it takes a founder of GreenPeace to speak to us on the proposition that clear-cutting has value and is an adequate and recognized means of timber harvesting.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Senator from North Dakota is recognized.

Mr. DORGAN. Am I correct that I am to be recognized under a previous unanimous consent agreement?

The PRESIDING OFFICER. Yes. The Senator has 30 minutes.

#### THE SUPPLEMENTAL APPROPRIATIONS BILL

Mr. DORGAN. Mr. President, I don't think I will use the entire 30 minutes. I wanted to come to the floor of the Senate today to speak again about a piece of legislation that we will take up in about an hour and 45 minutes. It is a supplemental appropriations bill to provide resources and money to help those who have been victims of a disaster in our country—especially, and most importantly, the disaster that has occurred in our region of the country, the Red River region, North Dakota, South Dakota, and Minnesota.

There are moneys in this bill for other regions as well, and there have

indeed been other disasters, although none quite as substantial as the one that has occurred along the Red River; that is why this bill is so critically important to us.

I was a conferee on the conference committee and, last evening, the conference committee reported out the bill, H.R. 1469, an act making emergency supplemental appropriations for recovery from natural disasters and for overseas peacekeeping, and so on. It is emergency supplemental appropriations for recovery from natural disasters. That is the purpose for this bill. Congress will consider that, as I indicated, in about an hour and 45 minutes.

I want to make two points today. The first is short, and the second is a bit longer. The first is this: Inside this piece of legislation is a substantial amount of help, an enormous amount of additional resources that will go to a number of regions of the country, especially our region, to try to help the victims of the disaster that visited our region. We are enormously grateful for that. There are many Members of the U.S. Senate, on both sides of the political aisle here, who pulled together and rolled up their sleeves and said, "Let us help." The help in this bill is substantial. It is very substantial, and it will help our region in a manner that I can hardly describe. So we are enormously grateful to every Member of this Senate and this Congress who helped us get to this point. That is the first point. Thanks to everyone who helped.

The second point is this: The resources inside this legislation are only going to be available when the President signs the bill. Time is urgent to deal with the needs that exist in our part of the country and to respond to the victims of the massive flooding that occurred in the Red River Valley. The reason I mention that time is a serious problem is because, 14 days ago, the Congress left for the Memorial Day recess and left this bill unfinished, and so 14 days have elapsed since that time. Now it appears that Congress will pass this bill this afternoon, and it contains unrelated, controversial items that almost certainly will be vetoed by the President because he has said time and time again that if it contains especially the central item dealing with Government shutdowns, he will be constrained to veto the bill.

I rode with President Clinton on Air Force One to Grand Forks Air Force Base one morning, and he visited with several thousand people who were then living and sleeping in an airplane hangar, a series of four hangars, sleeping on cots because they had been evacuated from their homes. Two cities, Grand Forks, ND, and East Grand Forks, MN, were nearly totally evacuated due to the flood waters that destroyed the two communities. Thousands of people were in airplane hangars sleeping on cots, wondering what would come next. President Clinton came that day. One of the points he made was that the

Congress and the President certainly will help. He said, "I hope very much that in the construction of a disaster relief bill, Congress will not add unrelated amendments, controversial, extraneous amendments that will slow down or derail the bill." He made that point in the airplane hangar to the thousands of people who were there for good reason—because there is a tendency in Congress to add unrelated things to other pieces of legislation. I don't expect that that habit will discontinue. But it is unusual for that to happen on a disaster bill. It is not the usual course of events for someone to seize a disaster bill like this and say, oh, by the way, I have an unrelated issue that is very controversial and I think we can force the President to sign it by including it in a disaster bill.

That is not the way most Members of Congress have treated disaster bills in the past. Disaster bills deal with disasters. They have resources that are needed by victims. The Congress, by and large, has decided that they will not toy with or play with or play political games with a disaster bill. Yet, today, despite my enormous gratitude for all of the wonderful resources that are in this bill, this bill contains a couple of—especially one—totally unrelated, very controversial items that the President certainly will veto.

So what happens as a result of that? More delay. Probably another week's delay, at least. What happens to the victims of the flood along the Red River during that week? They will wait, they will wonder, and they will not have answers about their future.

It is unfair to them to do this. Now, some say—and I read in the papers in the last few days—that delay doesn't matter; there is money in the pipeline. FEMA has money and they are helping the victims of this disaster. Why are you saying that delay is a problem here?

To anyone who says that, they must be saying it without the facts. The facts are this. In Grand Forks, ND, a city with which I am well familiar because I have been there many, many times prior to, during, and since the flood, about 600 homes were totally and completely destroyed as a result of the flood and probably another 800 were severely damaged. The people who lived in those 600 homes are not ever moving back. The question is, what happens to them? They are going to have to describe a new flood plain up in Grand Forks, and those homes are going to have to be bought out, and the money will hopefully be used to build new homes somewhere else. But there isn't money in the pipeline to buy out those homes. The HUD money in this bill is not available until the bill is signed. The result is that the city can't make decisions until the money is there, and the result is that all of those citizens and families, many of whom are now split, wake up in a bed that is not theirs, in the home of a stranger that took them in, or in a motel, or in a

shelter someplace, or in a city 100 miles away, all of those people will continue to wait because the city can't give an answer because they don't have the money. And the city doesn't have the money because this is delayed.

Now, let me, if I might, go through a couple of charts to describe this point. The Grand Forks Herald runs this editorial every day. It is a city of 50,000 people, 90 percent of whom were evacuated. I have said that 600 homes were totally destroyed and another 800 were severely damaged. The Grand Forks Herald says in its editorials, "10 Days Since the Congress Let Us Down." That was actually a few days ago. But, today, they will have had a different number. Every single day, the number of days "since the Congress let us down." The Fargo Forum, 70 miles down the road, wrote "Act Now on Flood Relief Bill." It is a long editorial saying "don't delay and add extraneous amendments to this kind of legislation." The Grand Forks Herald, again, wrote: "11 Reasons to Pass Federal Disaster Bill Now." It describes the urgency and the need for the legislation.

Now, let me, just in case my colleagues don't recall—and I assume most of them do—review again how we got to where we are now. In our region of the country, we had nearly 10 feet of snow, 3 years worth of snow in 3 months. The last quantity of snow was nearly 2 feet—the worst blizzard in 50 years, we are told. This illustrates what happened during that blizzard. Telephone poles snapped like toothpicks and 80,000 people were out of power. In many cases, the power wasn't restored for some long while, despite the fact that day and night crews were working on poles. You can see these poles that were put in. These power poles were snapped off like toothpicks and 80,000 people were without power. In the middle of that, the Corps of Engineers is furiously building dikes because the Weather Service says we will now have a severe flood.

So the snow begins to melt. We have a 500-year flood.

This is farmland. It doesn't look like it. It looks like an ocean. All you can see is the barn and a silo, and water for as far as the eye can see.

This is a poster that shows one of our communities along the Red River. All of this is farmland. It now looks like a lake. This is before all of the snow had melted. This little Red River became a lake nearly 150 miles long and anywhere from 20 to 30 miles wide. That is what the citizens of this region face.

What did that look like? When that came through our town, it looked like this—a river that had no bank, a river that became part of the community in every home, in every business; Grand Forks, ND, and East Grand Forks, MN, totally inundated. In East Grand Forks, 9,000 people evacuated, most of them with only the shirts on their backs, totally evacuated. In Grand Forks, ND, 90 percent of the 50,000 population had to evacuate, many of them with no notice at all.

So here is what the Grand Forks neighborhoods looked like—all throughout the town with water reaching the tops of automobiles.

In the downtown area we had severe flooding. Then we had a severe fire. In the middle of the flood a fire destroyed 11 buildings; parts of three blocks in downtown Grand Forks.

These courageous firefighters fought that fire in some cases working only with fire extinguishers in ice cold water up to their waists and their chests, suffering hypothermia; and parts of three blocks of downtown Grand Forks burned down.

Here is what it looks like. Here was a block. There is nothing left. In the middle of the flood it looks like Dresden.

Here is another view of downtown Grand Forks flooded and destroyed and ravaged by fire; the fire skipped throughout the downtown.

I might say to the Presiding Officer that this downtown is still uninhabited. If you go there today—and I have been there very recently—there is almost nothing going on here because there is almost nothing left. Every one of these buildings was severely destroyed, and the new floodplain in any event when it is drawn, will take a major part of the downtown and destroy it further because the buildings will be uninhabitable.

The Grand Forks Herald in the middle of all of this says, What kind of flood is this? "Red Cross Tops 1 Million Meals." How bad was that disaster: People in shelters, people evacuated all across the region, and the Red Cross serving 1 million meals.

The water is gone. That water stayed a long, long time. The National Weather Service predicted a severe flood with a record 49 feet which would have been a record of all time on the Red River; 49 feet. But it wasn't 49 feet. It was 54 feet. And it inundated everything, and literally brought both of those communities to their knees; to a standstill.

What has happened in Grand Forks now? These are some pictures that are not quite as clear. But Grand Forks now has streets. When you drive down the street, there is only a narrow path to drive down because in all of these homes that were destroyed or severely damaged by this flood homeowners are ripping all of the things out of these homes that need to be taken out; the streets are littered as far as you can see up and down the street with just this kind of scene.

The citizens who go back and take a look at what they have seen this. This is a home that I stopped at not too many days ago. This is a home that is sitting on top of a car. Incidentally, I was on a Coast Guard boat. And this is in an area called Lincoln Park. We were on a boat through this area. All of these homes were completely under water. It took those homes right off the foundation. And this home now comes back and sits on top of a car. It and 600 of the neighboring homes are destroyed and will never ever be inhabited again.



In the same neighborhood, this is what happened when the flood inundated the home.

The reason I am showing these pictures, Mr. President, is some say that there is not an urgency here at all. I don't know how many have seen what happens in a flood. But here is what Grand Forks residents, when they went back to homes that are now uninhabitable, see. They see personal belongings that are unrecognizable. They see all of the appliances that are destroyed. And they see the job of taking them out to the street and putting them on the sidewalk.

Then we have people now in Grand Forks and East Grand Forks—thousands of them—who this morning didn't wake up in their homes because their homes aren't available to them. They are destroyed. They wake up in a neighbor's home, a friend's home, or a stranger's home who took them in; a motel, a shelter, in a town 10 miles or 20 miles or 50 miles away, and in some cases 100 miles away. And they are asking the city of Grand Forks, "What next?" The city leaders of Grand Forks say to them, "Well, what we are going to do is we are going to help you. The Federal Government is going to give us the resources to help you. We are going to buy out some of these homes. We are going to help some of those businesses restart. We will help some of those folks in rebuilding a new home."

I talked to a couple down at the Lincoln Park area. They lived in their home for 43 years, and had a half-hour notice as the flood waters coursed through the dikes and destroyed their entire neighborhood. Now they are living in travel trailers, wondering about their future. "What next?"

Every one of those lives is on hold at this moment waiting and watching and wondering when Congress will pass the disaster relief bill. The answer is, this afternoon.

That is the good news.

The bad news is that what Congress passes this afternoon has in it unrelated, extraneous amendments put there, in my judgment, only for political purposes—only to bait the President; only to say to the President, "Sign this." We are going to shove it right down that narrow alley and dare him to sign it. The President has already said that he won't sign this. This is an amendment that deals with Government shutdowns on October 1. It doesn't have merit.

I don't know. Maybe we should debate that. It ought not be debated on a disaster bill. And Members of this Congress know it. If any other Member of this Senate was faced with the same circumstance with their constituents whose lives are on hold and who are waiting day after day after day—if anyone else were in the same situation, they would be here to do what I am doing to say this makes no sense.

Those who have visited my State and the Northern States in our country know that we have a very short con-

struction season. We don't have 12 months out of the year to rebuild. We have a very short construction season. Every single week you lose means that part of your community begins to bleed to death. That is why this week and last week was so important. It is why next week is so important. It is why I am so upset with those who insist on putting unrelated amendments that they know will require a veto of this bill.

Mr. President, we are not the first region of the country to suffer a disaster—earthquakes, fires, flood, tornadoes all over this country. And in all of the years that I have been in both the U.S. House and the U.S. Senate I have been one who said my constituents in North Dakota want to be there to help. You are not alone when you suffer a disaster. We want to help you. I do not recall a time since I came to the Congress when in the middle of a disaster bill people said, "Oh, by the way, we are going to play this like a fiddle. We have an agenda here." This isn't about victims. It is about politics. I do not recall a time when that has happened on a disaster bill. It has happened on other bills, and it has happened on both political sides of the aisle—both Republicans and Democrats. We will probably never change that because of the rules of the Senate probably are never going to change. But, generally speaking, in most cases Members of the Congress and the Senate have not done this with disaster bills.

We are going to vote on this bill this afternoon. It contains critically needed aid for this region of the country.

There are thousands and thousands of people who are not back in their homes. Seven-thousand apartments in Grand Forks, ND, are uninhabitable right now. So the 7,000 people in the apartment complexes aren't back and won't be back until they get some answer; until some moneys are available, until the construction begins, until the money is in the pipeline to get that done. And there are those who say, "Well, gee, nothing is being held up. FEMA has money." They just do not understand it. They are plain flat wrong. Yes. FEMA has money. FEMA has money to deal with the day-to-day needs of someone who tomorrow needs money to buy a meal, or needs money to rent a hotel room. But FEMA does not have the money that gives a community the ability to make the decisions to buy out the neighborhoods, or to describe the new floodplain and help people rebuild homes and businesses. FEMA doesn't have that money. That money is not available. That money is only available when legislation of this type passes and is signed by the President of the United States.

So, if I hear one more time anyone in this Senate say, "Well, gee, there is money in the pipeline, no one is disadvantaged," I urge them to do this. Buy an airplane ticket, and I will go with you. And let's go to Grand Forks, ND. There is probably going to be a

city council meeting the night that you get there, and there will probably be 500 or 1,000 people there. And every single one of them will ask you the question: "If there is money in the pipeline, show us where. Where is the money that will allow us to make the decisions to get on with our life? Where is it?" If anyone who alleges that, again, buy a ticket, and come to East Grand Forks, MN, or Grand Forks, ND, or Watertown, SD, and tell those citizens where the money is. They won't do that because they can't. This are dead flat wrong.

They are playing a game on this bill, and they ought not play a game on this bill. They know it.

I raised the question yesterday: "Why don't you pass this bill, and then extract the emergency portions of this bill; just the emergency portions alone?" Extract that, and pass it as a separately enrolled bill. And if the President vetoes it, then at least enact the emergency portions of it so people who have been victims of a flood and fire and blizzards are not going to be victimized again by delay.

But it fell on deaf ears because that is not what people want. There are some—not all—who want something more than this. They want political points. They want a political issue. I guess they will get it. Not from me, but they will get it because they will have a veto in a day or two, I suppose. And then people will go home for the weekend having not passed the disaster relief, and then come back next week and start juggling all of this again. In the meantime, 3 weeks will have gone by at a time when it is critical for the people of North Dakota and South Dakota and Minnesota to make decisions about their future.

Mr. President, I regret taking so much time of the Senate today. I know other Members wish to speak on other issues. We will also have a chance to discuss for 2 hours the disaster bill itself in the middle of the afternoon. But I wanted those who watch these proceedings to know what the facts are.

The facts are that there have been thousands—tens of thousands—of victims of a natural disaster. That disaster was visited on them through no fault of their own; jerked out of their school; pulled out of their homes. The homes destroyed; the schools are closed.

The timing is urgent that this get done.

Let me end the way I began with two points.

One, we are enormously grateful for what is in this bill for disaster relief. We are enormously troubled by the time and the delay it has taken and will take to get this to the President for signature. My hope is that very soon all Members will understand the urgency of disaster relief for those victims who need it today.

Mr. President, I yield the floor.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

(The remarks of Mr. CAMPBELL pertaining to the introduction of S. 837 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CAMPBELL. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. BRYAN. I thank the Chair. I thank my friend and colleague from Colorado for his courtesy in securing my recognition after him.

(The remarks of Mr. BRYAN and Mr. BOND pertaining to the introduction of S. 838 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. CRAIG. Mr. President, let me also ask unanimous consent that, following my comments, the Senator from Missouri be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, will the Senator yield?

Mr. CRAIG. I will be happy to yield.

Mr. WELLSTONE. I thank the Senator for his courtesy.

#### PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Nicole Elizabeth Narotzky and Margaret Joanna Smith be allowed to be in the Chamber during this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair. I thank my colleagues.

#### 100th ANNIVERSARY OF THE FOREST SERVICE ORGANIC ACT OF 1897

Mr. CRAIG. Mr. President, yesterday was the 100th anniversary of the passage of the Forest Service's Organic Act, so it is an appropriate time to reflect on how recent Congresses have addressed Forest Service issues.

Let me also say to my colleagues, yesterday had sent to each one of your offices a book by Douglas MacCleery called "The American Forests: A History of Resiliency and Recovery."

During the 104th Congress, the Senate Energy and Natural Resources Committee conducted the first extended series of oversight hearings on the management of our Federal forests in almost 20 years. As these hearings proceeded, we also consulted with experts in the field of forestry management, participated in and evaluated the results of the Seventh American Forest Congress, and asked the General Accounting Office and others to evaluate the current state of the management of our national forests. As a consequence of these efforts, we have formed some conclusions about the management of our national forests,

and today I would like to share these with my colleagues.

Notwithstanding considerable contemporary controversy, the Forest Service remains a top performer among Federal agencies. The breadth of contemporary controversy over Federal forest management and the cacophony of interest group outcries from all ends of the spectrum tend to obscure the simple fact that much of the time the Forest Service carries out its duties quite effectively.

Over the decade, the quality of management employed on our Federal forests have been reflected in the integrity of the resources involved. Since the turn of the century, and particularly over the last several decades, the science of resource management has improved dramatically. Our federally owned forests are arguably managed under the most advanced scientific principles and the most stringent environmental controls that have been applied to any managed ecosystem in the world.

In a historic context, the return on this investment in scientific management is striking. Many Federal forests which some view today as pristine ecological preserves were, earlier in this century, little more than worn-out farm lots. Species of megafauna which were dangerously close to extinction at the turn of the century are now flourishing on our Federal forests.

The National Forest System provides more recreation opportunities than any other land ownership category in the country. Wood from our national forests made a significant contribution to the American dream of affordable housing for post-war America, and must still continue to make an important contribution to our national fiber needs today.

The heat generated by present-day conflicts over Federal forest management makes it easy to forget that our national forests are century-long success stories. But this perspective is essential to retain as we go about the task of addressing contemporary problems and improving on our performance in forest resource management.

Notwithstanding the barrage of negative publicity generated by the pleadings of special interests, I remain highly impressed by the commitment of Forest Service professionals of all disciplines and at all levels. Moreover, after more than 15 hearings on an array of related subjects, I am convinced that the majority of people—those not vested in a particular resource management outcome—are, after a reasonable opportunity to offer their thoughts, prepared to defer to the judgment and expertise of the Forest Service in resource management decisions. In this regard, I have reached four specific conclusions from our oversight.

First, budget reductions and downsizing have left the agency with significant management problems. Throughout the system there are national forests with critical gaps in re-

source management expertise and/or personnel shortages. I have come away from our oversight convinced that we simply must find a way to provide the agency with the resources to do the job we want done. I urge my colleagues to join me in this search.

Second, despite these current fiscal constraints and various and sundry controversies, the spirit of Forest Service employees remains surprisingly strong. This spirit shone through in much of the testimony received from agency employees, particularly during field hearings. I believe we must act now to avoid squandering this endangered resource.

Third, the breadth and quality of resource and environmental expertise within the Forest Service, even stressed by budget constraints, is nonetheless unique among related Federal agencies. For example, I have come to conclude that the Forest Service's specialists possess: as much or more expertise in endangered species conservation as the U.S. Fish and Wildlife Service; as much or more expertise in managing anadromous fish habitat as the National Marine Fisheries Service; and as much or more expertise in maintaining or restoring water quality in rural, forested watersheds as the Environmental Protection Agency.

Fourth, in response to probative questions, we finally began to hear the acknowledgment, from other Federal agencies that this expertise exists and that the Forest Service could, in their view, be trusted to use it. I am not convinced that their actions yet reflect these words, but I was glad to hear them, nonetheless.

Most people still strongly support multiple-use management despite well publicized assertions to the contrary. After listening to over 200 witnesses from all quarters, I have come away convinced that we should continue to use our federally owned forests for a wide variety of purposes as long as these activities do not damage the lands. I believe that the majority of the populace agrees that we should protect wildlife habitat, allow recreation, permit harvesting of trees, grazing of animals, and development of minerals on these lands, and that these activities—if conducted judiciously—can be compatible. I do not believe that the "zero harvest," or "cattle free" philosophies are as widely supported as their proponents maintain. For example, at the seventh American Forest Congress, the 1,500 participants voted 91 percent to 4 percent to defeat an extremist proposal to eliminate commercial harvest on public lands.

Moreover, I also strongly suspect from what we heard that most people believe that the way to decide the best mix of uses on Federal forests lands is to give the Forest Service—particularly the resource professionals on the ground—as broad and independent a responsibility as possible to conduct studies, develop comprehensive plans, consult with the public, and then implement the results. Unfortunately,



most of the developments in contemporary resource policy over the past 15 years have worked to reduce the forest Service's responsibility.

That is why last December, I began circulating comprehensive revisions to the 1976 statutes that govern the management of our Federal forest lands. These statutes have not been changed since Congress passed them two decades ago and are in dire need of modernization. The world that we face today is much different than the one we faced in 1976, even as it is different than the one that we faced in 1897.

Over the course of the last 4 months I have held a series of six informal workshops on the draft that was circulated for the first time last December. These workshops included representatives from all points of view, and were conducted to be as informal and discursive as possible in hearing all points of view. Since concluding these workshops a few weeks ago, we have been reworking our proposal for introduction this summer. I hope that we can, in this centennial year of the passage of the original Organic Act, make some positive changes—in a bipartisan fashion—that will provide a mandate to carry sustained and enlightened forest stewardship forward for another century.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Chair recognizes the Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague from Idaho. I commend him on the work he does in forestry, an area in which I have great interest. We have seen tremendous developments in this area. Agri-forestry and many related concepts are very important new ways in which we cannot only benefit our environment, but maintain profitable revenue-producing opportunities for landowners, and we think that updating the law is very important.

I look forward to working with my colleague. I appreciate his leadership.

Mr. SMITH of Oregon. Mr. President, we have just heard about the history and origins of the 1897 Organic Act of the U.S. Forest Service. I would like to describe what our forests were like a century ago and compare this to where we are today as a nation of enlightened forest stewards. Consider the following turn-of-the-century snapshot of the condition of the Nation's forests and wildlife that confronted our early conservation leaders:

Wildfires commonly consumed 20 to 50 million acres annually—an area the size of Virginia, West Virginia, Maryland, and Delaware combined.

There were about 80 million acres of cut-over land that continued to be either idle or lacking desirable tree cover.

The volume of timber cut nationally greatly exceeded that of forest growth.

There were no provisions for reforestation in our system of laws. Aside from a few experimental programs, long-term forest management was not practiced.

Also at the turn of the century, wood was still relatively cheap. Because of this, large quantities were left behind after logging. Sawmills were inefficient. The use of wood in buildings was based on custom, rather on sound engineering. Huge volumes of wood simply rotted.

Massive clearing of forest land for agriculture continued. In the last 50 years of the 19th century, forest cover in many areas east of the Mississippi had fallen from 70 to 20 percent or less. In the last decade of the 19th century, America's farmers cleared forests at the average rate of 13.5 square miles per day. And much of this land included steep slopes that were highly erodible.

Formerly abundant wildlife species were severely depleted or nearing extinction.

Now compare the unfortunate realities that the country faced at the turn of this century with a snapshot of how our forests look today as we prepare for a new millennium:

Following two centuries of decline, the area of forest land has stabilized. Today, the United States has about the same forest area as in 1920.

The area consumed by wildfire each year has fallen 90 percent. And this trend is continuing even with some severe fire seasons over the last couple of summers.

Nationally, the average volume of standing timber per acre in United States forests is about one-third greater today than in 1952. In the East, the average volume per acre has almost doubled.

Populations of whitetail deer, wild turkey, elk, pronghorns, and many other wildlife species have increased dramatically.

Tree planting on all forest lands rose significantly after World War II, reaching record levels in the 1980's. Many private forest lands are now actively managed for tree growing. 70,000 certified tree farms encompass 95 million acres of privately-owned land.

The tens of millions of acres of cut-over land that existed in 1900 have long since been reforested. Many of these areas today are mature forests. Others have been harvested a second time, and the cycle of regeneration to young forests has started again. Eastern forests have staged a major comeback. We are seeing an increase in forested acreage throughout the Eastern States.

Finally, forest growth nationally has exceeded harvests since the 1940's, with each subsequent decade generally showing increasing margins of growth over harvests. By the early part of this decade, growth exceeded harvest by 34 percent and the volume of forest growth was 360 percent greater than it had been in 1920.

Recreational use on national forests and other public and private forest lands has increased manifold.

The efficiency of wood utilization has improved substantially since 1900. Much less material is left in the woods.

Many sawmills produce more than double the usable lumber and other products per log than they did in 1900. Engineering standards and designs have reduced the volume of wood used per square foot of building space. Preservation treatments have substantially extended the service life of wood. These efficiencies have reduced by millions of acres, the area of annual harvest that otherwise would have occurred.

These comparisons demonstrate what huge strides have been made in forest management between the turn of the century and today. It is important that we recognize the Forest Service for its contributions to this progress. In my home State of Oregon, which has some of the most productive forest land in the world, the Forest Service has been a responsible partner in managing our Federal lands.

In fact, Forest Service employees in Oregon last year endured several physical attacks against their operations. Not only did arsonists burn the Oakridge Ranger Station to the ground, but they also destroyed a Forest Service truck at the Detroit Ranger Station. I want to thank those Forest Service employees in Oregon for enduring such deplorable acts of terrorism, and also recognize the agency's hard work all over the State.

Mr. President, I want to take this opportunity to commend the U.S. Forest Service for helping improve the stewardship of our natural resources over the last 100 years. The agency's efforts to use sound science and its ability to look forward have become a worldwide model for balancing the growing needs of our land. While we may not agree on every issue, I look to the Forest Service for equally successful leadership in the next 100 years.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

#### ALAN EMORY

Mr. D'AMATO. Mr. President, I rise today to recognize the work of someone who is rightly referred to as the dean of the New York press corps, Alan Emory, Washington bureau chief of the Watertown Daily Times. This Saturday Alan marks his 50th year with the Times, the last 46 have been spent here in Washington.

But more important than the length of Alan's service is the manner in which he has served his community. He has been a thoughtful, candid, and thoroughly professional reporter who has given the readers of the Watertown Times a clear view of the work of their elected officials in Washington.

Alan is tough but fair, and his influence extends far beyond Watertown. Never content to just follow the pack, Alan is constantly on the lookout for stories that may not make the network evening news, but which have a real impact on the lives of his readers.

Born in New York City, Alan was raised on Long Island and educated at

Phillips Exeter Academy, Harvard University, and the Columbia Graduate School of Journalism. A World War II veteran, he arrived in Watertown in July 1947 and was one of three Columbia graduates hired that summer by Harold B. Johnson, the editor and publisher of the Watertown Times.

Alan's first beats included the Boy Scouts and the local railroad station, but he was soon assigned to cover the city of Massena where he got his day-to-day newspaper training.

It was also during this time that Alan began covering politics and his impressive work led to his editor assigning him to the St. Lawrence County political beat.

In October 1948 he was appointed State editor and the following year he was named Albany correspondent. During his time in Albany he met his wife of 47 years, Nancy, and they have two sons, Marc and John, and a daughter, Katharine.

In 1951, Alan was asked to go to Washington. For 46 years and the administrations of 10 Presidents, Alan has kept his readers informed about what's going on down here and how it affects them.

Alan has always been an example of the best in professional journalism and he has proudly served as president and director of the Society of Professional Journalists and as president of the Gridiron Club.

Mr. President, I want to extend congratulations to Alan Emory on 50 years of providing journalistic excellence to the readers of the Watertown Times.

Mr. President, I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

#### PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Mr. President, I ask unanimous consent that David Schindel of my staff, a fellow in my office, be allowed the privilege of the floor for the duration of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 839 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BINGAMAN. I yield the floor.

Mr. ALLARD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. ALLARD. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are in morning business with Senators permitted to speak up to 10 minutes.

#### A COMMONSENSE APPROACH IN THE COURTROOM

Mr. ALLARD. Mr. President, I commend the work of Federal District

Court Judge Richard Matsch, the judge in the Oklahoma City bombing case tried in Denver, CO, as well as the prosecution team led by Special Assistant U.S. Attorney Joseph Hartzler.

I do not want to do anything that might prejudice the legal process and sentencing phase of this trial. However, on behalf of all of Colorado, I would like to recognize the outstanding work done thus far.

Prior to the trial, I took some time out and Judge Matsch took me through the Federal district court and explained to me the security measures that they had taken and explained to me how he wanted to proceed with the trial. I was very impressed with the forethought that had gone into making the proper setting for this very important trial in Denver, CO.

I realize that the success of something like this is not one man. I realize that a lot of very dedicated people had a role in the progress of this particular trial. But I believe that Judge Matsch has distinguished himself as a jurist and deserves our praise for overseeing the proceedings in this very high-profile case which brought justice for the victims and survivors of the worst act of terrorism ever to hit U.S. soil.

Confidence in our legal system has been renewed, thanks to the very tight ship run by Judge Matsch, who took a commonsense approach toward the courtroom. Judge Matsch appropriately protected the jurors in his courtroom from distraction and allowed the completely intact jury to reach a unanimous verdict in less than 6 weeks.

Judge Matsch did a good job because he focused on what was important and not television reaction, prime-time interviews, or book deals. Instead, Judge Matsch focused on justice—justice for the victims of the bombing, justice for their survivors, and justice to the defendant.

I hope that this commonsense approach is a model for future high-profile cases, and that Judge Matsch does an equally fine job during the sentencing portion of this trial.

I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

#### PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that Evan Berman, Evie Gissendanner, and Hassan Tyler of my staff be granted privilege of the floor for the duration of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 840 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. GRASSLEY. Mr. President, I have a request on behalf of the leader.

I ask unanimous consent that the previously scheduled vote on the supplemental appropriations conference report now occur at 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CHIEF JUDGE KAZEN, U.S. DISTRICT COURT

Mr. GRASSLEY. Mr. President, In the past few months my Democratic colleagues have attempted to paint the picture of a national emergency regarding unfilled vacancies in the Federal courts. We hear talk of a judicial crisis, of justice suffering at the hands of overworked and over-burdened judges, and of the Senate Judiciary Committee creating this situation out of political motivation. A recent example is an article in the Washington Post which interviewed only one Texas district judge who described how he was plowed under with work ever since Congress decided to get tough on drug smuggling and illegal immigration. And because his district has three open seats, he can't keep up with the caseload. Unfortunately this one judge has been used in an attempt to reflect some kind of a national crisis. Maybe some clarifying remarks regarding the central issues of this article will shed some light on this matter.

As the chairman of the Judiciary Subcommittee on Administrative Oversight and the Courts, I sent a comprehensive questionnaire to article III judges last year. This extensive judicial survey addressed the very concerns raised by the May 15 article in the Washington Post. The judge in question was kind enough to respond to the questionnaire, as were most of his colleagues. As a matter of fact, 12 out of 17 active judges over 70 percent of the southern district of Texas furnished my subcommittee with detailed replies. Of those 12 judges, only 2 other judges complained of an unmanageable caseload and of a growing backlog. That means that 9 out of 12 judges found their caseloads to be manageable. As a matter of fact, one judge even stated that: "there is absolutely no backlog whatsoever."

Of the three judges who did complain of not being able to keep up with their workload, one had been on the bench less than 2 years, and the other two were the only two judges in the southern district involved in extensive outside work activities beyond occasional

speaking engagements. You would think that before judges complain about needing more help, they would be devoting 100 percent of their working time and energy to their caseloads. Unfortunately, it appears that is not the case here.

One must also keep in mind the organizational set-up of the district in question. The southern district has the highest number of judges in all of Texas, one of the highest in the Nation for that matter. Right now a total of over 30 active judges, senior judges, and magistrate judges are handling cases in that district. All but three of the active judges last year found their caseloads were manageable. Therefore, when one throws statistics and numbers around, we must be careful how to interpret those figures. For example, we must factor in the number of cases which are handled by staff attorneys. Prisoner petitions, for example, are rarely handled by a judge, but are routinely included in caseload statistics. As another Texas judge has told me, once prisoner petitions are factored out, the southern district's docket has actually decreased, not increased over the last 10 years. In addition, numerous judges have contacted me and praised the Prisoner Litigation Reform Act as having had a substantial and dramatic impact on the number of prisoner filings and as having caused that number to decrease enormously. I have asked the judge in question for more information on these issues.

We must also keep in mind that many senior judges are hearing cases. In the southern district of Texas there are at least three senior judges. In order to be certified, a senior judge must carry, at a minimum, a 25 percent caseload. And many senior judges maintain a full caseload. Yet, senior judges are not factored into the weighted caseload statistics when ascertaining whether new judges are needed. In other words, senior judges are not even counted, even though they make considerable contributions. Again, beware of the numbers you read in the paper.

As a matter of fact, nationally there are 48 seniors judges certified at 25 percent workload, with another 86 senior judges who are doing at a minimum at 25 percent workload. In addition, there are 206 senior judges certified at a 50 percent or more workload. Now lets add up the numbers: if you take 25 percent of the 48 senior judges, 25 percent of the additional 85 senior judges, and 50 percent of the 206 senior judges, you would have 136 full time judges, which more than makes up for the 100 or so vacancies nationwide. Now, while I would agree that there may be pockets of districts around the country that need some help, the overwhelming majority of the judges in the district named by the Washington Post, and across the Nation for that matter, are working diligently to serve justice and are doing so with a manageable caseload and without a backlog.

Mr. President, I ask unanimous consent to have the Washington Post article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 15, 1997]

CASES PILE UP AS JUDGESHIP REMAINS VACANT

(By Sue Ann Pressley)

LAREDO, TEX.—The drug and illegal immigrant cases keep coming. No sooner does Chief U.S. District Judge George Kazen clear one case than a stack of new cases piles up. He takes work home at night, on weekends.

"It's like a tidal wave," Kazen said recently. "As soon as I finish 25 cases per month, the next 25 are on top of me and then you've got the sentence reports you did two months before. There is no stop, no break at all, year in and year out, here they come."

"We've already got more than we can say grace over down here," he said.

This is what happens to a federal judge on the southern border of the United States when Washington cracks down on illegal immigration and drug smuggling. It is a situation much aggravated by the fact that the Senate in Washington has left another federal judgeship in this district vacant for two years, one of 72 vacancies on federal district courts around the country.

As Border Patrol officers and other federal agents swarm this southernmost region of Texas along the Mexican border in ever-increasing numbers, Judge Kazen's docket has grown and grown. He has suggested, so far unsuccessfully, that a judgeship in Houston be reassigned to the Rio Grande Valley to help cope.

In Washington, where the laws and policies were adopted that has made Kazen's life so difficult, the Senate has made confirmation of federal judges a tedious process, often fraught with partisan politics. In addition to the 72 federal district court vacancies (the trial level), there are 25 circuit court vacancies (the appellate level) and two vacant international trade court judgeships across the country, leaving unfilled 99 positions, or 11 percent of the federal judiciary. Twenty-six nominations from President Clinton are pending, according to Jeanne Lopatto, spokeswoman for the Senate Judiciary Committee, which considers nominations for recommendation to the full Senate for confirmation.

Of those 99 vacancies, 24 qualify as judicial emergencies, meaning the positions have been vacant more than 18 months, according to David Sellers of the Administrative Office of the U.S. Courts. Two of the emergencies exist in Texas, including the one in Kazen's southern district.

Lopatto said the thorough investigation of each nominee is a time-consuming process. But political observers say Republicans, who run the Senate, are in no hurry to approve candidates submitted by a Democratic president. The pinch is particularly painful here in border towns. The nominee for Brownsville, in Kazen's district, has been awaiting approval since 1995. Here in Laredo, Kazen's criminal docket has increased more than 20 percent over last year.

"We have a docket," he said, "that can be tripled probably at the drop of a hat. . . . The Border Patrol people, the Customs people at the (international) bridges will tell you, they don't catch a tenth of who is going through. The more checkpoints you man, the more troops you have at the bridges, will necessarily mean more stops and more busts."

And many more arrests are expected, the result of an unprecedented focus on policing

the U.S.-Mexican border. Earlier this year, Clinton unveiled a \$367 million program for the Southwest for fiscal 1998, beginning Oct. 1, that includes hiring 500 new Border Patrol agents, 277 inspectors for the Immigration and Naturalization Service, 96 Drug Enforcement Administration agents and 70 FBI agents.

In Kazen's territory, the number of Border Patrol agents already has swollen dramatically, from 347 officers assigned to the Laredo area in fiscal 1993 to 411 officers in fiscal 1996. More tellingly, in 1993, agents in the Laredo sector arrested more than 82,000 people on cocaine, marijuana and illegal immigration charges. By 1996, arrests had soared to nearly 132,000, according to data supplied by the INS.

All of which is keeping Kazen and the other judges here hopping. "I don't know what the answer is," said U.S. District Judge John Rainey, who has been acting as "a circuit rider" as he tried to help Kazen out in Laredo from his post in Victoria, Tex. "I certainly don't see it easing up anytime soon. There still seems to be such a demand for drugs in this country, and that's what causes people to bring them in. Until society changes, we won't see any changes down here."

In a letter to Rep. Henry B. Gonzalez (D-Tex.) in February, Kazen outlined the need for a new judge in the Laredo or McAllen division, rather than in Houston, where a vacancy was recently created when then-Chief Judge Norman Black assumed senior status. "The 'border' divisions of our court—Brownsville, McAllen and Laredo—have long borne the burden of one of the heaviest criminal dockets in the country, and the processing of criminal cases involves special pressures, including those generated by the Speedy Trial Act," he wrote.

On a recent typical day, Kazen said, he sentenced six people on drug charges and listened to an immigration case. His cases tend to involve marijuana more often than cocaine, he said.

"The border is a transshipment area," he said. "The fact is, a huge amount of contraband somehow crosses the Texas-Mexican border, people walking through where the river is low, and there are hundreds and hundreds of miles of unpatrolled ranchland."

"In some cases," Kazen continued, "we're seeing a difference in the kind of defendant. We're almost never seeing the big shots—we're seeing the soldiers. Once in a while, we'll see a little bigger fish, but we're dealing with very, very smart people. We see some mom-and-pop stuff, too. There was a guy who came before me who had been in the Army umpteen years, and he needed the money, he was going bankrupt, so he did this 600-pound marijuana deal. He said he stood to pick up \$50,000, and now he's facing five to 40 years."

"We see kids 18 and 19 years old," Kazen said. "We see pregnant women. We see disabled people in wheelchairs. This is very, very tempting stuff."

In Washington, the argument over court vacancies continues. On April 30, Attorney General Janet Reno told the Judiciary Committee, "Chief judges are calling my staff to report the prospect of canceling court sittings and suspending civil calendars for lack of judges, and to ask when they can expect help. This committee must act now to send this desperately needed help."

In remarks yesterday to the Federal Judges Association meeting in Washington, Reno warned that "the number (of vacancies) is growing."

"As you are no doubt aware," Reno told the judges, "the level of contentiousness on the issue of filling judicial vacancies has unfortunately increased in recent times."

## FATHER WILLIAM CUNNINGHAM

Mr. ABRAHAM. Mr. President, I rise today to pay my deepest respects to Father William Cunningham. Detroit lost one of its favorite sons on Monday, May 26, when Father Cunningham died following a 7-month battle with liver cancer.

His passing, and the loss we now face, brings us great sorrow. True heroes, after all, are never easily replaced. However, it also provides us a moment's pause to reflect upon and celebrate the extraordinary deeds of a man too humble to accept any congratulations while still in our midst.

Rarely do individuals, by the sheer force of the power of their vision, manage to alter the destiny of an entire city. Father Cunningham, without question, was one of these individuals. His commitment to Detroit, and to eradicating the problems that plagued it, was unwavering. Where others decried the insurmountable obstacles, Father Cunningham optimistically advocated solutions.

William Thomas Cunningham grew up in Detroit's Boston-Edison neighborhood. He attended Sacred Heart and St. John's Provincial Seminaries and was ordained into the priesthood in 1955.

Father Cunningham was teaching English at Sacred Heart Seminary when widespread rioting broke out in Detroit in the summer of 1967. Just a few short blocks from his classroom Detroit was being torn apart, both literally and figuratively.

In the aftermath of this deadly summer, Father Cunningham and Eleanor Josaitis, a Taylor, MI, housewife and mother, joined forces. Angered by what they felt was an inadequate response on the part of the religious, academic, industrial, and government establishments, Cunningham and Josaitis formed a civil rights organization, Focus:HOPE, to work to ensure the summer of 1968 was a peaceful one.

In an effort to promote racial harmony, Cunningham and Josaitis began gathering and distributing food and clothing to riot victims. In the process of doing so, Cunningham learned of Agriculture Department warehouses stocked with food supplies. With the missionary's zeal and powers of persuasion that made him such an effective public servant, Cunningham convinced the USDA to donate these large stockpiles for assistance to the inner city poor.

Today, Focus:HOPE feeds 51,000 people a month. However, Focus:HOPE has evolved and grown into so much more than just an organization that feeds the hungry.

Father Cunningham was driven by the belief that the only thing separating the poor and unemployed in downtown Detroit from their better off counterparts in the surrounding suburbs was a lack of job training and education. So Focus:HOPE set out to make people more employable.

Two decades later, on a forty acre industrial and educational complex on

Oakman Boulevard in Detroit, Focus:HOPE runs myriad highly successful enterprises. The Center for Advanced Technologies trains 85 people to graduate with bachelor's degrees accredited by Wayne State University. The Machinist Training Institute offers year-round classes and boasts of a 100-percent graduation and placement rate. Yet another program is Fast-Track, a training course to teach prospective job applicants the necessary math and communications skills to be competitive. Focus:HOPE also runs two for-profit auto parts manufacturing firms, High-Quality and Tec Express, not to mention a child care center, a communications center and a food distribution center.

Consider the following statistics as a measure of the success of Father Cunningham's work. At the time of its conception in 1968, Focus:HOPE had a budget of about \$12,000. In 1996, that budget had grown to \$76 million. Focus:HOPE currently employs over 800 people and has 45,000 volunteers.

Last October, Father Cunningham was diagnosed with cancer. He certainly wouldn't have been faulted had he chose to rest and enjoy his final days. Yet, as he had done his entire life, Father Cunningham chose to fight on. At the same time he battled his cancer, he continued to press forward with his latest project. In the days ahead, Focus:HOPE will open Tech Villas, an apartment complex of over 100 units, will be constructed within an empty former Michigan Yellow Pages building.

Father Cunningham was a man who had received the praise of presidents, heads of industry, and an entire city grateful for his vision. In the end, however, Father Cunningham still thought of himself as a simple parish priest, no more important than those he served.

It may be years before Detroit sees the likes of another leader as dynamic and committed as was Father Cunningham. No amount of tribute can ever begin to sufficiently repay our debt to Father Cunningham and Eleanor Josaitis, who will carry on their work.

Mr. President, on behalf of all my colleagues in the Senate and all those who live in my State of Michigan, I bid a fond farewell to Father William Cunningham. While he may no longer be with us, his legacy lives on in the institution he built, in the city he helped save, and in the countless lives he touched. We truly were blessed by his presence.

#### TRIBUTE TO SENATOR STROM THURMOND—THE SENIOR SENATOR

Mr. CRAIG. Mr. President, I rise today to add in a small way to the many tributes being offered on behalf of one of our colleagues.

There are persons lucky enough to witness history, and persons wise enough to study history. Then there

are those few who are dynamic enough to make history.

This week we honor someone who has made more history than most—our distinguished President pro tempore, STROM THURMOND.

STROM THURMOND was born during the Presidential term of Theodore Roosevelt—probably the only other person in the 20th century to have a comparable energy level.

And in the same way TR launched America on the great adventure of the 20th century, STROM THURMOND has been a real force in building up and guiding America during that century.

A few of our colleagues may have been friends with Jack Kennedy; but STROM THURMOND is the one who ran against Harry Truman—and came within a hair of denying him the White House.

He is the only sitting Senator today who actually was on a general election ballot as a Presidential candidate.

STROM THURMOND has always been a man of the people.

In 1954, when the 31-member committee that represented the political establishment of South Carolina froze him out of a special election, STROM THURMOND did what no one before or since has done—ran and won as a write-in candidate for the U.S. Senate.

STROM THURMOND has always been ahead of his time, with his finger on the pulse of history.

In the middle of the Johnson landslide in 1964, he moved against the tide, from the Democrat to the Republican party.

With the next election, he became only the second elected Republican Senator from the deep South since Reconstruction.

By the time the next two sitting Senators changed party affiliation—30 years later—a majority of the Senators and Representatives from across the Nation—and, for the first time since Reconstruction, a majority from the South—were now in STROM THURMOND's adopted party.

In fact, he is the only Senator to have served as a Democrat in the majority and the minority, and as Republican in the majority and the minority.

When we look at the New South today, we see the fruits of the "Thurmond Revolution," or the "Thurmond Realignment." He showed the way.

The issue on which I've probably worked most closely with STROM has been the balanced budget amendment to the Constitution.

When you work with him closely on an issue like that, you see how, and why, his colleagues revere him.

I cosponsored the first balanced budget amendment that made it to the floor of the U.S. House in 1982. I've been a part of writing every one since.

But STROM cosponsored an earlier version in the 1950's. Once again, he was ahead of his time.

When we finally pass that constitutional amendment, and permanently lock in that balanced budget we

achieve in 2002, it will be the "Thurmond Amendment."

When you ask STROM THURMOND what his secret is for stamina and energy, he may say something about diet, working out, swimming, or loving the work he does for the people of his State.

But his secret is, he thinks young—always.

He probably still considers himself the junior Senator from South Carolina—every time he stands with constituents for a picture in front of the portrait of John C. Calhoun just outside this Chamber.

One year, his campaign camper was the "Strom Trek." Another year it was the "Thurmon-ator."

And he loves to talk with young people.

He always has time to talk to the pages and visit with our staffers, treating them with respect and warmth, making them feel special.

He always remembers to ask about our families, and always imparts some of that joy of life to those around him.

STROM THURMOND has a joy of life, a love of people, and a sense of duty that give him purpose and energy.

In a world that we fear is becoming too coarse, he is gracious—and reminds us of the way back to civility.

He is devoted to God and country.

He is our most senior Senator and the highest-ranking constitutional officer of the Senate. Best of all for us, STROM THURMOND is our friend and teacher.

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 4, 1997, the Federal debt stood at \$5,358,712,178,993.49. (Five trillion, three hundred fifty-eight billion, seven hundred twelve million, one hundred seventy-eight thousand, nine hundred ninety-three dollars and forty-nine cents)

One year ago, June 4, 1996, the Federal debt stood at \$5,139,964,000,000. (Five trillion, one hundred thirty-nine billion, nine hundred sixty-four million)

Five years ago, June 4, 1992, the Federal debt stood at \$3,942,616,000,000. (Three trillion, nine hundred forty-two billion, six hundred sixteen million)

Ten years ago, June 4, 1987, the Federal debt stood at \$2,302,258,000,000. (Two trillion, three hundred two billion, two hundred fifty-eight million)

Fifteen years ago, June 4, 1982, the Federal debt stood at \$1,078,868,000,000 (One trillion, seventy-eight billion, eight hundred sixty-eight million) which reflects a debt increase of more than \$4 trillion—\$4,279,844,178,993.49 (Four trillion, two hundred seventy-nine billion, eight hundred forty-four million, one hundred seventy-eight thousand, nine hundred ninety-three dollars and forty-nine cents) during the past 15 years.

#### U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING MAY 30TH

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending May 30, the United States imported 8,374,000 barrels of oil each day, 327,000 barrels less than the 8,701,000 imported each day during the same week 1 year ago.

While this is one of the few weeks that Americans imported less oil than the same period 1 year ago, Americans still relied on foreign oil for 56.5 percent of their needs last week, and there are no signs that the upward spiral will abate. Before the Persian Gulf war, the United States obtained approximately 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil? By U.S. producers using American workers?

Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 8,374,000 barrels a day.

#### JUNK GUN BAN IN CALIFORNIA

Mrs. BOXER. Mr. President, I rise to mark a historic day in the nationwide movement to get junk guns, or Saturday night specials, off our streets. The California State Assembly and the California Senate passed legislation to prohibit the manufacture and sale of junk guns in California. The bills require that all guns made or sold in California meet the same quality and safety test currently required of imported firearms.

I applaud and thank each and every member of the California Legislature who voted for the bill for their courage in supporting this important legislation. I especially wish to acknowledge Assemblyman Louis Caldera and Senator Richard Polanco, whose leadership and tenacity contributed immeasurably to the passage of this legislation.

The bills passed by the California Legislature are nearly identical to a bill I introduced in the Senate last spring, the American Handgun Standards Act, which I have reintroduced this year. For the largest State in the Union to pass this legislation is extraordinary.

I trust that this important victory is just what we need here in Congress to move forward with junk gun legislation on the Federal level. Each year, nearly 40,000 Americans die from gunshots and more than 200,000 are injured. Gunshots are now the leading cause of death among children in California.

I have spoken on this floor many times before about the junk gun double standard that has flooded our streets with cheap, unsafe, easily concealable handguns. In 1968, Congress required

that all handguns imported to the United States meet a tough quality and safety test. This import restriction virtually cut off the flow of foreign junk guns. However Congress failed to require domestically produced handguns to meet the same test. This double standard led to the creation of a domestic junk gun industry that has flooded our streets with these unsafe, ultracheap handguns.

Study after study has shown that these junk guns are the criminal's weapon of choice.

California has taken the lead in a nationwide movement to get these guns off our streets. Thirty-two cities and counties have enacted local ordinances banning junk gun sales within their jurisdictions. Now that the California Legislature has taken this courageous step, I urge Governor Wilson to sign this historic legislation.

Today, Californians who want an end to gun violence had a major victory, and the U.S. Senate should take notice. I hope that soon we will be able to pass the American Handgun Standards Act, which will make our children, our families, and our communities safer.

There is no reason why American-made handguns should not have the same quality and safety standards as imported handguns. This dichotomy is killing our people.

#### NATIONAL GUARD

Mr. FORD. Mr. President, over the last few days, I have been reading in newspapers and hearing on radio and television about the Quadrennial Defense Review [QDR] and the so called National Defense Panel [NDP]. The QDR is supposed to be a comprehensive assessment of current military strategy and force structure, as well as outlining a vision for the future. However, experts have called this QDR "A Cold War Relic" and when it comes to the Army, I agree with them.

I truly believe the citizens of Kentucky and the American people deserve the best national defense strategy the Nation can afford. Yet the Active Army wants to cling to their 10 divisions, while simultaneously calling for a new Base Closure Commission. This is especially ironic when you consider that during the 1995 Base Closure Commission, the Active Duty Army leadership insisted the Army could not afford to close any more bases. This was just 2 years ago. The Base Closure Commission said not to have another Commission until the year 2001.

Mr. President, I would urge my colleagues to read page 3-2 of the 1995 Defense Base Closure and Realignment Commission's report to the President, which says " \* \* \* The Defense Department will be implementing the closures and realignments of the 1995 and prior Commissions through the end of this decade. The requirement in the Defense Base Closure and Realignment Act that all Closures be completed within 6 years means that the closures

from the 1995 round will not be completed until 2001. For that reason, the Commission recommends that the Congress authorize another Base Closure Commission for the year 2001 similar to the 1991, 1993, and 1995 Commissions." I understand this is still the view of our former colleague Alan J. Dixon, the Chairman of the 1995 Base Closure and Realignment Commission.

The Active Army argues that they are going to cut the Active Force by 15,000 men and women. But my colleagues shouldn't be fooled. When you look closely, you will see that the 15,000 troops the Army wants to cut are nothing more than ghosts. What you have are 15,000 positions in the Active Army that have been left empty the last few years.

So the question remains: where does the Army plan to put these ten divisions—with no real reductions—if they close bases? How do they meet their budget target, while simultaneously protecting their general officer slots and keeping their 10 active divisions? Their answer? Cut the Army National Guard by approximately 38,000 people. That is a 10 percent reduction of the entire Army National Guard Force Structure.

This is the very same Army National Guard, Mr. President, that currently provides more than 55 percent of the ground combat forces, 45 percent of the combat support forces and 25 percent of the Army's combat support units, while only using 2 percent of the Department of Defense budget.

Why, my colleagues might ask, would the Active Duty Army leadership do such a thing? Well let's look. First, the Army leadership argues that the Guard divisions have no war fighting missions. This is true. But the Guard divisions have no war fighting missions because the Active Duty Army leadership has failed to give them a war fighting mission. And the reason they don't give them a war fighting mission is because then they would have to explain why they still wanted to keep 10 active duty divisions.

Also the Active Army does not consider members of the Army National Guard as soldiers. Instead they treat the men and women of the Army National Guard with contempt. These Active Duty types seem to forget that the men and women of the Army National Guard have undergone the same training as the active duty forces. Fifty percent of the entire Army National Guard are men and women coming off active duty with the Army.

The generals in the Active Army should look at their own figures regarding retention of their active duty members. The annual attrition of the Active Army is 36 percent, the attrition in the Army Reserve is 34 percent, while the attrition in the Army Guard is only 18 percent.

Perhaps what is most frustrating to me is the fact that the Active Army refused to consult with the Army Guard during the QDR. When asked about this

oversight by the press, the Army spokesperson responded that "there is an Army Reserve colonel and a Guard colonel here in our offices. They get to weigh in on the issues." You don't need an extensive knowledge of military affairs to realize that a colonel doesn't pull much weight against a group of active duty Army generals protecting their turf.

Mr. President, there should be no reason for the poor working relationship between the Active Army and the Army National Guard. I look at the strong working relationship between the Active Air Force and Air National Guard and wonder why can't the Army have this kind of relationship. I look at the great relationship the Active Duty Marine Corps has with its reserve units and wonder why not the Army and the Guard?

Mr. President, Company A, 4th Tank Battalion, 4th Marine Division [REIN] which was deployed to Saudi Arabia in December 1990 is stationed at Fort Knox. This company of outstanding reservists was selected to lead the attack by the 6th Marine Regiment into the battle for Kuwait. This outstanding Marine Corps Reserve unit fought along side their active duty comrades and did a great job.

They were able to work side by side with their active duty counterparts because the Marine Corps Reserves play a vital role in the Marine Corps military strategy and because the Marine Corps integrates both reserve training and education with their active counterparts.

There are a number of plans I have been told about which could save more than \$2.5 billion a year for the Army. They envision elimination of two Active Divisions. Two divisions could come out of Europe, and the Army could fly brigades from the United States to Europe on a rotational basis to serve a 3-month tour. The Army could take the equipment from these divisions and modernize Guard Divisions and give the Guard Divisions the war fighting missions of the two eliminated active divisions.

Remember, Mr. President we have a Marine Corps that we can send anywhere in the world. We can do the same with the Army. Look at the 101st, the 82d, the 10th Mountain, and the 3d Infantry Division. These are tough Active Duty Forces that the 15 enhanced National Guard Brigades and the 8 National Guard Divisions can support.

Given these tight fiscal times, I hope all my colleagues remember that an Army Guardsman can be kept combat ready for an annual cost of \$17,000, while an active duty soldier costs more than \$80,000. The Army Guard, just like its Active Duty counterpart, is trained for combat.

Up to this point, I have tolerated the Active Army's all-too-obvious bias. Yet the QDR represents the final straw. Some of my colleagues want to wait for the National Defense Panel to do their review and report to Congress. I was a

cosponsor of the amendment that called for this panel. When Senator BOND and I agreed to cosponsor the amendment creating the Defense Panel, we did so only after we had received assurances that someone with a Guard background would be on the panel.

Mr. President, the National Defense Panel has been turned into a joke. It is nothing more than a warmed-over version of the failed Roles and Mission Commission—a Commission that spent more money in 2 years than the Base Closure Commissions spent in 5 years.

No one other than the outgoing Deputy Secretary of Defense has been interested in anything the Roles and Mission Commission reported and it should come as no surprise that this Commission also did not have a Guard representative. So what we have is a National Defense Panel appointed by the outgoing Deputy Secretary of Defense consisting of individuals from our cold war days who have no background in working day-to-day with the National Guard.

Even my friend Senator McCain, an author of the amendment that created the National Defense Panel, expressed his disappointment with the lack of imagination in appointing the members of this Panel.

I think it's high time we put a stop to this childish bickering between the Army and the National Guard. The Active Duty Army needs to get its act together and accept the National Guard as an equal partner so they all can be the best Army they can be.

Mr. President, I ask unanimous consent that the following articles, one from the National Guard magazine by Maj. Gen. Richard C. Alexander, be printed in the RECORD following my remarks, also that two articles from the Armed Forces Journal, May 1997, issue by former Congressman G.V. "Sonny" Montgomery and a second article by John G. Roos. I hope all my colleagues will read these articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Armed Forces Journal, May 1997]

#### AN APPLES-TO-APPLES COMPARISON

(By MG Richard C. Alexander, President, NGAUS)

The Pentagon announced this month that a Virginia Army National Guard rifle company has been notified to begin training for possible deployment to Europe in support of Operation Joint Guard, the Bosnia peace-keeping mission formerly known as Joint Endeavor.

Thousands of Guard members have deployed for this mission over the past several months, many of whom already have returned to home station. So, you may ask, what's the big deal? The big deal is that should the unit actually deploy, Virginia's C Company, 3d Battalion, 116th Infantry, would be the first National Guard infantry unit to be mobilized by the Department of Defense since the Vietnam War. It's fitting that this unit, which once fell under the command of Gen. Thomas "Stonewall" Jackson, might break the ice. I'm proud of C Company, just as I am of all our units.



At the same time, this newsworthy event adds poignancy to an ongoing debate about the Department of the Army's failure to include its National Guard combat troops in national military strategy. To this day, none of the Guard's eight combat divisions is in the nation's warfighting plans. The question is not only why it has taken so long for the Army to call up a Guard infantry unit, but also why Guard divisions are completely excluded from the war fight? Haven't our combat troops undergone the same training as our active-duty brethren? Isn't the Guard's training and readiness ultimately the responsibility of the active Army?

In fact, under the provisions of Title 11, the Army National Guard Combat Readiness Reform Act of 1992, the Army is supposed to provide 5,000 active-component advisors whose primary responsibility is to ensure National Guard and Reserve training standards are achieved. To date, the Army has not met this congressional mandate.

In this issue of National Guard Magazine, you will find strong evidence, despite what some Army leaders say, that Army Guard combat units can mobilize in time for war.

Let me point out a comparison that exposes the weakness in the active Army's straw man concerning the ability of Guard units to successfully mobilize for war. During the Gulf War mobilization, the 4th Tank Battalion, a United States Marine Corps Reserve unit in the 4th Marine Division, successfully transitioned from the M-60 to the M1-A1 Main Battle Tank in just 45 days. The battalion trained, shot and qualified, then deployed to the Gulf where it fought alongside its active Marine Corps counterparts. Indeed, one of its companies knocked out 35 of 36 Iraqi tanks in less than five minutes. This is just one example of the success the Marine Corps has had with putting all its units into the fight—by doctrine and by training.

The Army must be just as accountable for the relationship it has with Army Guard combat units.

In our Gulf War experience, the Tennessee Army Guard's 212th Engineer Company was the first American unit into Iraq after the ground war began, breaching the way for allied tanks. The 20th Special Forces Group, composed of National Guard units from Alabama, Florida, Maryland, Mississippi and Kentucky, completed their 90-day certification program in half the time. And, of course, our National Guard artillery units are legendary for their performance in the Gulf War, with such standouts as Oklahoma's 1st Battalion, 158th Field Artillery, (Multiple Launch Rocket System), which fired record numbers of missiles on target.

Those who pay close attention to national defense know the Guard and Reserve units are dependent upon how they are treated by their respective services. Army Guard members are ready, willing and motivated to take on real-world missions, if only given the chance. We've proven this in places like the Sinai, and we're proving it countrywide everyday.

The active Army leadership needs to be held accountable for the Army Guard's overall performance. The Army must foster a better working relationship among all of its officers and enlisted personnel, active, Guard and Reserve. Army leaders should not only be squelching myths about the Guard's combat units, but taking the lead in promoting our successes on and off the battlefield.

My hat is off to the Marine Corps leadership for fully integrating its reserve fighting units into its total combat force. The Marine Corps reserve forces play a vital role in the national military strategy. The Corps continues to integrate both reserve component training and professional military education with that of the active component.

Needless to say, news about the 4th Tank Battalion's feats during the Gulf War sparked a healthy competition within the Corps' ranks. Last October, five years after the war, the best tank crews from four Marine tank battalions—two active duty and two reserve—were pitted against each other in a showdown at Fort Knox's ultra-modern Yano Tank Range. Not surprisingly, the 4th Tank Battalion's crew came out on top.

To emphasize its policy of equal treatment between its components, the Corps dropped the term "reserve" in reference to its "part-time" soldiers. They train their soldiers for combat, and they send their soldiers to combat. They don't wallow in hypothetical arguments.

It's time the active Army leadership followed suit.

#### ENSURING THE STRENGTH OF OUR FUTURE—THE QDR AND THE FUTURE OF THE GUARD AND RESERVE

(By Hon. G.V. "Sonny" Montgomery)

Someone recently asked me, "Who's going to look out for the National Guard and Reserve now that you've retired from Congress?" I thought about the question, in light of the soon-to-be-released Quadrennial Defense Review (QDR) and the reality of today's changing defense environment, and the answer was simple: The nation, led by my colleagues in Congress, will safeguard the Guard and Reserve because the Guard and Reserve so effectively help protect our nation.

A public treasure, the National Guard is actually older than the United States, first convening in the 13 original colonies. Now, more than 220 years later, its two-fold mission remains the same: to protect the state and to be a part of the federal militia. From thwarting drug smugglers on our southern and western borders to fighting on the front lines in the Gulf War, today's guardsmen and reservists play a vital role in protecting America's interests and citizens.

A roadmap for the future of our defense requirements, the QDR must assess threats to our nation and our military's capability to meet them. This QDR intends to evaluate the changing nature of conflict in the world today and whether it is feasible for our services to fight and win two regional Gulf War-sized conflicts nearly simultaneously.

My colleagues in Congress, however, will continue to base decisions to allocate funds less on the threat of regional conflicts and more on meeting anticipated global contingencies around the world. A keen eye will also be kept on such potential flash points as China, North Korea, Iran, Iraq, and possibly even Russia.

I have heard some concerns voiced that QDR's bottom-up review isn't appropriate given that many members of Congress who will evaluate the report lack military backgrounds. In my view, the process is still effective. Worldly in experience and highly educated, men and women in Congress, regardless of having served in wartime, possess the most important quality—the power to listen—to the QDR commission, to military experts, and most importantly, to the people they serve—their constituents, the American people.

When I was elected to Congress in 1967, more than 50 percent of the national budget went to the military. Now, less than 20 percent of our nation's budget funds the military. With the threat of further reductions of up to 40,000 active military personnel, the fate of our nation's security—and of the Guard and Reserve—is in question.

#### MORE CUTS AHEAD

The Guard and Reserve have shared the pain of the overall cutbacks, facing reduc-

tions in end strengths each year since 1980. With total active military personnel expected to shrink by 21 percent from FY96 to FY98, selected Reserves are expected to be reduced by 10 percent, and civilians (FTEs) will shrink by 27 percent.

These numbers seem staggering; we simply cannot set in motion the bleeding of the nation's National Guard and Reserve's fighting strength.

A few things to consider: The Guard and Reserve are perhaps one of the best values for the American taxpayer today. In times of conflict, the Guard and Reserve participate equally in the fighting force, side by side with their active-duty counterparts. But personnel costs for Guard and Reserve are only half as much as for the full-time military. And let's remember that these citizen-soldiers are an important link between the public and the professional military.

Some have questioned whether the Guard and Reserve, in their present forms, are still pertinent in today's changing environment. But their existence has become more appropriate than ever before, given the expanded domestic role they fulfill. For example, just in the past few years alone, the Guard and Reserve have been called to perform a wide range of missions here at home, from reacting to the Los Angeles riots, to supporting community rebuilding efforts in the current aftermath of the Midwest flooding, to protecting our borders in the drug interdiction program. These domestic activities should not, however, take the place of combat missions and combat support.

The Air National Guard and the Air Force Reserve, for example, with the highest number of full-time technicians, have done an excellent job of training and planning for missions, sometimes a year or more in advance. While other components have so far been prepared to move out despite shorter planning cycles, they are moving to adopt the Air Force's successful advance planning structure. Through proper training, Guard and Reserve units are ready to deploy in a reasonable time.

As with anything, the role of the Guard and Reserve is only as good as we make it. In the last 15 years, I worked with my colleagues in Congress toward the billion-dollar package of add-ons to fortify the Guard and Reserve. But today my colleagues in Congress must be more vigilant than ever before in protecting this extremely valuable national resource.

#### STEM THE DRAWDOWN

I urge Congress to restore defense budget spending levels to maintain our strength and capability to fight any conflict or mission we encounter. We must also stem the massive drawdown in the Total Force. We've gone about as far as we can or should go.

As a way of strengthening and preserving the Guard and Reserve, I offer the following recommendations:

The Department of Defense and all service branches must continue to accept the role of their National Guard and Reserve counterparts as part of the Total Force. This includes assigning them more combat and combat support missions.

DoD must offer equitable benefits and enticements to gain and retain the best men and women for our Guard and Reserve. This includes expanding health care and dental benefits, offering combat pay for overseas missions, and confirming legislation to provide health care coverage for victims of Gulf War Syndrome rather than waiting indefinitely for the results of lengthy medical research.

The active force must continue to play an important role in improving training for the Guard and Reserve.

Just as for active personnel, we must continue to provide the same state-of-the-art, properly maintained equipment and tools, and the proper personnel to sustain them. Further, we must make Operations and Maintenance funds readily available to keep that equipment in top fighting shape.

Whatever the outcome of the QDR process, the Total Force—Active, Guard, and Reserve—will continue to provide for the defense of this great nation and for the freedom of our people.

Enter Assistant Secretary of Defense for Reserve Affairs Deborah Lee. At her direction, early last year the Institute for Defense Analyses (IDA) was told to conduct a comprehensive inquiry to determine how long it would take to get the most complex type of division in the National Guard force structure ready to deploy for combat. The Texas National Guard's 49th Armored Division was selected as the test unit, and the actual readiness conditions prevailing in the 49th were used in establishing the study's baseline.

Drawing on the expertise of officers from HQDA and the Army's Training and Doctrine Command, Forces Command, and other appropriate organizations, a seven-month study began last July. Using relatively conservative planning assumptions for such things as the availability of training areas and the amount of training support that could be expected from active-duty army elements, the IDA-led inquiry determined that the 49th Division could achieve a validated readiness status in 94 days and could get to either a port of debarkation or an airhead in 132 days.

Not surprisingly, when these conclusions made their way to the Army staff early this year, they created more than a bit of heartburn. As things now stand, active-duty Army officials believe that the study results are probably flawed because—get this—the Active Army probably wouldn't be able to deliver the types of training and other support that the Active Army is supposed to provide to the National Guard during the mobilization process. They're not sure though, since there is no standard procedure for validating the readiness status of a National Guard division; in fact, there's no Army field manual that lays out the process by which a division is supposed to mobilize and prepare for deployment.

It's ironic that while most elements of America's military force structure would like nothing better than to find a place to hide during QDR deliberations, the Army National Guard is crying out for attention. But some National Guard officials clearly feel that years of benign neglect have put their divisions in a perilous position for QDR-prompted cuts. With the IDA-led study results in hand, these officials vow, they aren't about to disappear quietly.

UNEQUAL PARTNERS—NATIONAL GUARD'S COMBAT DIVISIONS REMAIN HIDDEN BENEATH MANTLE OF BENIGN NEGLECT

(By John G. Roos)

Today's "Total Army" includes eight National Guard combat divisions. This substantial slice of America's combat power is in addition to the National Guard's 15 "Enhanced Readiness Brigades" that presumably would be used to augment active-duty forces in the event of an all-out national emergency. But those eight divisions haven't attracted much attention during the nearly completed Quadrennial Defense Review (QDR), since they're not even included in America's war plans.

Ever since the contentious issue of Georgia's 48th Infantry (Mechanized) Brigade's purported inability to achieve ready-for-deployment status during Desert Storm, Army

planners have shed away from relying on National Guard combat units to augment active-duty Army forces during the early stages of a conflict. In spite of the special attention the Army continues to devote to its Enhanced Brigades in order to keep them at relatively acceptable levels of combat readiness, they still remain far from the tip of the spear in the Service's deployment plans. But at least those Enhanced Brigades do come into play at some point during Army warfighting planning sessions. The same can't be said of the eight National Guard divisions.

In the wake of the "come-as-you-are" planning assumptions that flowed from the Bottom-Up Review's short-notice, two-MRC strategy, those eight divisions were deemed so unlikely to be ready to deploy in time to make a difference in the conflicts the Army would most likely face that they were quietly flushed from Army war plans. The plug was pulled more than five years ago, when former Army Chief of Staff General Gordon Sullivan told the House Armed Services Committee that it would take 365 days to prepare a National Guard division for deployment to a combat arena. After the howls of protests from National Guard leaders subsided, the Army revised its estimate downward to 270 days. But that three month chop by the Army headquarters staff did little to assuage the Guard's leadership: Even a nine-month mobilization, training, and deployment cycle, they argued, was blatantly pessimistic and would continue to exclude National Guard divisions from the Army's warfighting planning process.

Mr. BOND. Mr. President, I join with my friend and cochair of the National Guard Caucus when I call the attention of my colleagues to an editorial found in today's issue of the Washington Times by Mr. Philip Gold, entitled "The Army vs. The National Guard" which I ask unanimous consent to be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.  
(See exhibit 1.)

Mr. BOND. This editorial outlines succinctly the issues facing the National Guard in the debate surrounding its force structure and its very future. I have said before and reiterate now in the strongest of terms, that rather than bill payer, the Guard's role should be vibrant, viable, and adequately funded by the Department of Defense.

National Guard units from every State are, today, involved in operations domestically in their State roles, and globally in their national role. Recently, units from my home State have been involved in missions in accordance with United States directives in Bosnia, Hungary, the Persian Gulf, and continue to serve our interests there. Units from States which have experienced natural disasters have traditionally been the "Cavalry to the rescue." Even the U.S. Air Force was a recipient of the National Guard's professional response when an A-10 aircraft which had crashed in a remote area was initially discovered by a National Guard Team involved in the search.

With the fiscal constraints being imposed on our military force while simultaneously increasing their roles and missions, we need the Guard now,

more than ever. We need it to be trained, we need it to be well equipped, and we need it funded.

Mr. President I call upon all Senators to join with me and Senator FORD along with the other members of the National Guard Caucus in a pledge to insure the robust nature of the National Guard, a service from which we ask so much.

EXHIBIT 1

[From the Washington Times, June 5, 1997]

THE ARMY VS. THE NATIONAL GUARD

(By Philip Gold)

The fracas was inevitable. Several weeks ago, the National Guard's senior leadership concluded that they hadn't been given a fair chance to make their case before the Quadrennial Defense Review (QDR). They also concluded that the Army was systematically lying to them about the extent of the Guard reductions they wanted. So they requested a meeting with Defense Secretary William Cohen and were told to "go through their chain of command."

So they did . . . through their other chain of command. They went to the governors, who started writing the president, cc: the Pentagon. That got Mr. Cohen's attention and Mr. Cohen's attention—to adapt a venerable adage—started flowing downhill. As of this writing, the secretary was ordered an Army/National Guard "off-site" at the Pentagon (great place for an "off-site") to work it out the first week in June. Also as of this writing, the Guard has received seven contradictory letters from Mr. Cohen, army secretary Togo West and senior army generals on structuring the meeting. About the only thing that hasn't been suggested is a United Nations peacekeeping force in the room.

Maybe not such a bad idea, given the acrimony on both sides.

Whatever the "off-site" producers, it won't last long. The Army and the National Guard have been at it for centuries. The Guard has survived through a combination of domestic political savvy and foreign threats that seemed to require a large reserve. But does this venerable (some would say archaic) institution have any relevance to today's world and tomorrow's missions?

The answer is that the Guard has a greater relevance today than during the Cold War—exactly the kind of relevance the Founding Fathers envisioned when they elected to place the preponderance of the nation's military strength in the state militias.

Three facts vindicate the Guard. First, the U.S. simply cannot afford to maintain a large standing army. The force that did Desert Storm is long-gone. Nor can the United States afford to maintain large portions of the present force at high readiness. Reserves are far cheaper, especially in a world where mass armies are vanishing, and where those that remain grow ever more obsolete and vulnerable to other forms of American power.

Second, the Guard and service reserves provide a de facto "people's veto" on major foreign involvements. If a president lacks the popular support to mobilize, he lacks the popular support to go to war—and has better not do it.

Third, the Guard is a classic "dual use" system, available for foreign and domestic tasks. The Guard's experience in domestic emergencies offers a capability of major military significance. For example, the Guard, not the standing Army, should be given the nuclear/biological/chemical weapons disaster relief mission. The standing Army doesn't need this capability in peacetime, so it should be in the part time forces.

Given the likelihood of future terrorist actions on American soil, the Guard, with thousands of sites around the country and local expertise, offers a far superior means of deploying this capability for domestic emergencies.

Further—and this is not easy to say—the standing Army, is an institution in profound disarray, trashed by scandal and, in many ways, looking for work that will generate hard cash and renewed respect. Almost inevitably, that points toward more domestic missions, especially counter-terrorism in its various aspects. One need not conjure up lurid thoughts of military coups or images of an alienated, embittered officer corps to understand that this is a bad idea. The less the standing military is involved in domestic affairs, the better. Not because they're evil people, but because their professional methods and loyalties may do more harm than good. The Founders knew it; the Army's domestic intelligence activities during Vietnam proved it. To the extent that military force may have to be used in this country in the decades ahead, it ought to be the Guard, with its complex set of responsibilities to and relationships with country, state, and community.

But the political and cultural justifications for the Guard don't address one practical question: Can they be ready to do the job? Obviously, the answer depends on what the job is and what you mean by ready. Still, one thing is clear. There is no inherent reason the Guard cannot perform adequately across the range of its missions. The Marine Corps and the Air Force have demonstrated what can be accomplished when reserves are treated as assets, not rivals. New tools and methods, from tank and cockpit simulators to computerized command post exercises, offer training possibilities unimaginable even 10 years ago. High-priority units can be filled with people willing to accept high levels of contractual obligation, including extended active duty and early call-up. In short, the Guard's proficiency is limited only by resources and creativity—and by a standing Army that, for reasons of its own, prefers not to acknowledge it.

Again, that standing Army isn't evil. It's simply fighting for its institutional life and soul. The current off-site, and the next one, and the one after that, will no doubt reflect the desperation of the struggle. But the Army should not be permitted to sacrifice the Guard to protect its own turf bowls. The current military situation, and the wisdom of centuries, should preclude it.

#### TRIBUTE TO LORD MICHAEL JOPLING

Mr. STEVENS. I come to the Senate floor today to tell the Senate that a very special and dear friend to many of us who serve in the Senate, the Right Honorable Michael Jopling, has now been honored in his country with a life peerage and will join the House of Lords.

Those of us who know Michael Jopling have known him as a Member of Parliament who has served more than three decades in Britain as a Member of Parliament. He served as a Minister of Agricultural, Fisheries, and Food in the British Government for two 4-year periods between 1979 and 1987. Those of us here in the Senate who know him, know him because of his active participation in the North Atlantic Assembly sessions and par-

ticularly in the British-American Interparliamentary Conference meetings which many of us have participated in from time to time.

He continues to serve, Mr. President, as the Secretary for the Interparliamentary Exchange. Senator BYRD and I will lead a Senate delegation in August to meet with our British counterparts, and for the 10th year in a row it will be Lord Jopling, now, who will meet us. He brings great energy and enthusiasm to the meetings we have held and, really, his participation has been unparalleled.

As a matter of fact, I am sad to report to the Senate that with his youthful exuberance he got the better of himself recently when he suffered an accident in a Go-Kart race. He broke some ribs and had some damage to his lungs, but he is on the mend now. I understand that he will have full recovery.

I further bring greetings to the Senate from our friend Senator Heflin. Senator Heflin has written to me about his real joy to see our friend, Michael Jopling, so honored. I am reminded of a speech that Sir Winston Churchill made in the House of Commons on August 20, 1940. He said:

The British Empire and the United States will have to be somewhat mixed together in some of their affairs for mutual and general advantage. For my own part, looking out upon the future, I do not view the process with any misgivings.

It is, in fact, the British-American interparliamentary process that has given great effect to those words, and Lord Jopling has been a leader of that effort. He has made a lasting contribution to the great relationship between our two countries. He and his wife Gail have always been gracious hosts, and they really are wonderful goodwill ambassadors for Britain.

I come to offer my congratulations to Lord Jopling. I think others who know him will want to congratulate him, also. We particularly thank him for years of dedication to his country and to the cause of world peace and understanding. He is a great personal friend. I am delighted to see a friend honored.

Mr. HOLLINGS. Will the Senator yield?

Mr. STEVENS. I yield to the Senator.

Mr. HOLLINGS. As they say in England, hear, hear. We are delighted to hear of the elevation of our friend Michael to Lord Jopling. It shows, amongst other things in England, that you do not only have to be young, you can be old and still succeed.

I wish him well, too, in his recovery, and I appreciate the Senator from Alaska pointing out this wonderful happening.

Mr. STEVENS. I thank the Senator from South Carolina for those remarks, and I know I reflect the sentiments of my great friend Howell Heflin in reporting to the Senate this great news.

Mr. DODD. Will the Senator yield?

Mr. STEVENS. I yield to the Senator.

Mr. DODD. I do not know Michael Jopling as well as our good friends from Alaska and South Carolina, but I have met him on numerous occasions, having attended a couple of the sessions of the North Atlantic Assembly with Judge Heflin, our former colleague.

I remember when I left the other body, Mr. President, and came to the U.S. Senate, our former colleague and delightful raconteur, Morris Udall, pulled me aside and said, "I want you to know I do not approve of your moving to the U.S. Senate. All I can say is by this move you have improved the intelligence of both bodies," and one might suggest I suppose here with our good friend Michael Jopling, being elevated to the status of Lord, that he is certainly going to improve the intelligence of that body.

He is a wonderful person, a great individual, and I wish him well.

Mr. STEVENS. I yield the floor.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR OF 1997—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, there will now be 2 hours of debate on the subject of the conference report on H.R. 1469.

The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I yield myself such time as I may use. I state to the Senate that I don't intend to use the whole hour, unless it is necessary to respond to some comments that may come up. It is my hope that we can finish debate on this bill and then turn to the budget resolution.

The conference report on the defense and emergency disaster supplemental bill will soon be before us. It is not before us yet. In the interest of time, we hope that we can get this matter resolved so that we may vote upon the bill as soon as it is received from the House.

Mr. President, the conferees completed their work yesterday afternoon and the conference report was filed in the House last night. The final bill keeps faith with the version that passed the Senate last month. It provides needed relief for the victims of disasters in 35 States. The bill also provides \$1.8 billion for military operations in Bosnia, Southwest Asia, and foreign deployments. Those amounts replace funds already spent by the administration. Without this funding for the Defense Department, we face a severe reduction in training, readiness,

and quality of life for our troops worldwide.

The bill continues to exceed the levels requested by the President for the Federal Emergency Management Agency [FEMA], the community development block grants, economic development, agriculture, and for the Corps of Engineers. I might say, however, Mr. President, while this bill involves increases of \$8 billion, we have offset \$8.4 billion. There is no net increase in this bill. We actually have a \$400 million net reduction in spending for fiscal year 1997 as a result of this bill.

Each of our subcommittees have carefully reviewed the amounts proposed by these agencies, and working with the Members from the impacted States, we have arrived at these funding levels. The new budget authority is offset by corresponding rescissions, as I have indicated. Those exceed the total spending.

Again, let me say, all defense spending is offset by reductions available to the Department of Defense in terms of prior appropriations. Again, consistent with the Senate version of the bill, additional amounts are provided for needed highway programs. Mr. President, there was a request from the administration for some highway money. We added to that. We have reached a compromise now by virtue of the work that was done by Senator SHELBY and Senator LAUTENBERG. That results in an increase for the so-called donor States, compared to the bill that passed the Senate. But I believe it keeps faith with the commitment that we have made to provide more funding to the donee States. We did not rewrite the highway formula. We reached an honest compromise with the House, where the House is dominated primarily by donor States and this Senate has more votes from the donee States. Now, this is a legitimate compromise on the money without rewriting the highway formula.

The conferees maintained the continuing resolution language; it is unchanged. It was the same version in both the House and Senate bills. It was not before the conference, actually. The levels of the continuing resolution version provide 100 percent of the fiscal year 1997 enacted rate of appropriations in the event a bill is not passed by the end of the fiscal year. This is more generous than most continuing resolutions that have been passed by the Congress in prior years. Typically, past resolutions provided that the money to be available during the period of a continuing resolution was the lower of the two amounts provided by the House or the Senate. This is not that case. This continuing resolution would be 100 percent of the amount that has been available in 1997.

I might say to the Senate that, after considerable debate, the conferees modified the language on the 2000 census; that is, we modified the provision adopted by the Senate. The conference agreement prohibits the use of sam-

pling and mandates a full enumeration of Americans for the apportionment of the House of Representatives. This is nothing more than maintaining current law, Mr. President, the constitutional requirement for a real census. It does not permit a political polling type of census.

I think we should state to the Senate that the Appropriations Committee in the House and the Senate each have recognized that this decision will increase the cost of the census for the year 2000. We are prepared to fund that additional cost within the total available under the bipartisan budget agreement, which we will vote on later today. I regret that no Member of the minority has chosen to sign the conference report, but I do understand and respect Senator BYRD's decision. I knew of his objection from the very beginning to the continuing resolution provision that is in the bill. But I want to assure Senators that, as far as the appropriations aspects of this bill, it is not a partisan bill. The agreements reached on the appropriations for disaster relief and for the recovery from the disasters were adopted with complete consultation with all Members of each body, regardless of party.

I hope the President will closely evaluate the total bill before he reaches the decision on a veto. We know that there is a threatened veto. We hope to work with the President to meet the needs of the victims of these disasters and to maintain our national defense, which is our constitutional duty. Vetoing this bill will simply delay further the aid and support that is needed by the citizens of more than 30 States.

I do want to state, Mr. President, that this is the first bill that I have been privileged to handle as chairman of the Senate Appropriations Committee. I offer my thanks to Chairman BOB LIVINGSTON for his courtesy and cooperation in working with Members of the Senate on this bill. It is a very complex bill, Mr. President. At times, this was a very contentious conference. But the House chairman, who was the chairman of the conference, presided over the conference with considerable grace, diligence, and good humor. I do believe that all Members will agree that anyone who wanted to participate in the debate concerning this conference was able to do so. I do urge the adoption of the bill by the Senate today so the bill can reach the President as soon as possible.

It will be a difficult vote, Mr. President, and I expect a very close vote on whether the bill goes to the President at all. Thank you.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that the following staff members of the Appropriations Committee and various subcommittees be granted floor access during the con-

sideration of the conference report on H.R. 1469:

Christine Ciccone, Becky Davies, Sid Ashworth, Alex Flint, Bruce Evans, Wally Burnett, Jon Kamareck, Jay Kimmitt, Michele Randolph, Jack Conway, Jim Morhard, Mary Beth Nethercutt, Robin Cleveland, Craig Higgins, Pat Raymond, Dona Pate, Susan Hogan, and Kevin Johnson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I yield myself some of the time assigned to the minority side.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair. Mr. President, this bill is critically important because it responds to the disasters in many States. Obviously, of greatest concern and interest to this Senator are the disasters that have occurred in North Dakota. Perhaps I could give a brief review for my colleagues and people who might be watching on the need for this disaster legislation. Before I do that, I want to thank those who helped write this legislation. I specifically want to thank the chairman of the Senate Appropriations Committee, Senator STEVENS. I also want to thank his staff because they listened to our plea for help and they responded. We deeply appreciate that. There were some heated moments as we discussed this legislation, but much of what is here is very good and critically important to our recovery.

As I say that, I must also register disappointment for the unrelated matters that have been included in this legislation, which the President has indicated will compel him to veto the legislation. We asked for and pleaded for a clean disaster bill, one that did not contain extraneous matters. But that did not happen.

Mr. President, I want to go now to a review of the disasters that occurred and led to the necessity for this kind of legislation. North Dakota has been hit with the most extraordinary set of disasters in our State's history. First, we had, as this chart shows, "Snow Foolin', Fargo-Moorhead Sets Record." Mr. President, that is not an athletic record, it is a record for snowfall. At the time they wrote this article, we had received almost 95 inches of snow. Before we were done, we reached over 10 feet of snow that fell in North Dakota during the winter season.

Next, we were faced with an extraordinary ice and blizzard storm, which was the most powerful winter storm in the last 50 years in North Dakota. That occurred in the first week of April. This picture shows downed power lines. It just snapped power lines all across the northeastern part of the State, and 80,000 people were without power. Many were without power for over a week. Not only were power lines affected by this incredible storm, but, as this picture shows, we had thousands of cattle that were killed by this extraordinary blizzard. This shows a mother who is

licking one of her calves. This calf, by the way, did not survive. You can see another dead animal, another dead cow. We lost over 150,000 head in this incredible blizzard in early April.

This is a circumstance in which some cows froze to death and many died by suffocation because in the blizzard the winds were so powerful that it blew snow up into their nostrils, and it compacted. And then the cows actually suffocated, an especially gruesome death for these animals.

It didn't end there, unfortunately, because not only did we have record snowfall followed by the most powerful winter storm in 50 years but then we had on top of it a 500-year flood; a flood that in Grand Forks was 26 feet above flood stage. And the dikes could not hold. As this headline says, "Broken Dikes, Shattered Hopes," and a picture of just one part of Grand Forks.

Grand Forks is a city of 50,000 people. Ninety-five percent of the people were evacuated. Eighty percent of the homes were badly damaged. Tens of thousands of structures were just devastated. In fact, if you go to Grand Forks now—this is 6 weeks after the flood devastation—on every corner, on every boulevard are stacked the personal belongings and the personal effects of the people of the city of Grand Forks. It is like a giant junkyard because everything has been destroyed. This water was contaminated. All of these things are ruined. The carpets, the drapes, all of the furniture, all of their clothing and personal effects destroyed; all of it. It is amazing to go through town. You can see what everybody's refrigerator looked like; everybody's washer and dryer—because they are out on the curb. They are out on the boulevard waiting to be picked up because they are all destroyed. It is really an incredible experience.

This picture shows the extraordinary extent of the flooding that occurred once those dikes broke. I went on a helicopter and flew north of Grand Forks. This shows from horizon to horizon water. In fact, the water was 40 miles wide. Remember. This river is normally 75 to 100 yards wide. But after the dikes burst, the water spread and was 40 miles wide.

You will remember—I think the President has North Dakota roots—you may recall, Mr. President, that we used to have a lake thousands of years ago, Lake Agassiz, that covered much of eastern North Dakota. A lot of us said it looks like Lake Agassiz is reforming because to be up in a helicopter and as far as the eye can see was water; really a stunning sight.

The disaster didn't end there because in the middle of the 500 year flood we had an incredible fire break out. The headline in the paper was, "Red Overruns Heart of Forks." Of course, they are referring to Grand Forks. The picture shows amidst the flooded streets this fire that broke out. This fire devastated much of three blocks of downtown Grand Forks. Many buildings

were destroyed. This picture shows the headline, which says it well, "A City Scarred."

This shows the National Guard with the firemen fighting that incredible inferno. I mean it was an inferno. This fire was so intense and so powerful that giant support beams for office buildings actually went up and were forced by the convection, by the power of these air currents, they blew up into the air and went across the street to the next block. That is how this fire spread, block to block, and destroyed much of three city blocks.

You can see. This is one of the major commercial buildings in the city of Grand Forks. It looks like it went through the raids of Dresden. It is just a shell. It was block after block that looked just like this. Over 150 business structures were destroyed in the combined flood and fire; 156 business structures in Grand Forks alone, housing about two businesses per structure on average. So about 300 businesses had their property wiped out.

This headline came in the Grand Forks Herald, which says it all: "Come Hell and High Water". It shows the little street sign with the water right up to the top; 6 feet of water standing right in the middle of town. Here is again the burned-out shell of a three-block area where the people have been absolutely devastated.

Mr. President, we have another headline that comes from the Grand Forks Herald: "4 Days Since Congress Let Us Down."

This was after Congress failed to act after the Memorial Day recess, and they gave 11 reasons to pass the disaster bill now.

We have heard a lot of talk that, "There is money in the pipeline. Don't worry about anything. Nothing is being held up because there is money in the pipeline." We just had the mayors of the affected communities in town yesterday. The business leaders of Grand Forks were here. One of them said, "You know. I hear all of this talk about money in the pipeline. All I can say is there must be cement in the pipeline because the money is not getting through."

The fact is there is no money in the Housing Department's pipeline for the buyout and relocation of the thousands of homes that have been destroyed. There is no money in that pipeline. We met yesterday with Secretary Cuomo. We asked him, "Do you have any money anywhere that could be diverted to go to work immediately so these homes can be bought out and relocated so we can start to rebuild this community?"

His answer was, "No, I don't."

We met yesterday with Secretary Daley, the Secretary of Commerce. We asked him, "Do you have EDA funds that are in the pipeline that could be used to help rebuild the business community that has been devastated?"

He said, "No, I do not."

There is no money in the pipeline to reimburse the school districts who

took the kids from the disaster areas. Those school districts stepped forward and said, "Yes. We will take your children. We will put them in our schools. We will transport them. We will feed them. We will give them books. We will provide teaching"—because the schools in Grand Forks are devastated.

There is no money in the pipeline to reimburse the school districts that stepped forward. There is no money in the pipeline for the Department of Agriculture to help the ranchers who lost hundreds of thousands of heads of cattle in this remarkable winter that we have just been through.

So when people say there is money in the pipeline, that no project is being delayed, that is just not accurate. That is just not accurate. We had the direct testimony of the mayors of the affected cities, of the business leaders of these cities, and they are saying to us: "We are stopped cold until and unless this disaster bill passes."

So, Mr. President, I am here today with two messages. No. 1, a message of thanks to those who have supported a disaster package that is meaningful and critically important for recovery. But I am also here today to say that I am also disappointed that we don't have before us a clean disaster bill—one that does not have unrelated provisions so that the President can sign this legislation and we can move forward with the recovery and rebuilding. That is unfortunate, and one that I hope is not repeated any time in the future.

I have been in the U.S. Senate for 10 years. And when others had disasters, we never offered amendments that were controversial, that would hold up the legislation, or that would cause a Presidential veto. We never did that. We never even thought of doing such a thing. I wish others would have extended the same courtesy to us that we have extended to them.

Some said, "Well, you offered amendments." Yes. That is true. I have offered amendments to disaster legislation before—noncontroversial amendments that were supported on both sides of the aisle, that were supported by the administration, that didn't hold up anything. I certainly have done that. But I would never have even thought of offering an amendment that would compel a Presidential veto. I mean I really do not understand why that would be done.

I do not want to lose sight of the important provisions that are in this legislation—provisions that will help rebuild the homes and businesses that have been destroyed; provisions that will help farmers and ranchers in many cases who have lost their foundation herds; provisions that will help them recover; provisions that will allow the Corps of Engineers to rebuild and repair and reconstruct levees and dikes so that we don't go through this again next year.

Believe me. We are acutely aware that in North Dakota we could face another disaster next year if we do not

act and act quickly. Again, remember, we have a very short construction season. We need to go to work now to get these projects completed. The money that is here for the Federal Highway Administration to rebuild roads, highways and bridges—many of the bridges up and down the Red River have been destroyed by this series of disasters—the funds for the school districts that have been impacted, and the funding for Devil's Lake because we have another disaster that is occurring in North Dakota: Devil's Lake. This lake is raising inexorably. It has tripled in volume and doubled in size in the last 3 years. It is like a cancer eating more and more of the countryside, eating up homes, eating buildings, eating up roads and bridges. And we are grateful to the committee for having included \$5 million for the work that needs to be done this year on an outlet from that Devil's Lake; and, for the money to rebuild the rural sewer system; the money to provide floodplain easements for those whose land is flooded and who have now been denied any ability to earn an income necessary for their families.

Mr. President, I want to end on this note, as I started, by saying:

No. 1, we are deeply grateful for the response of so many in this Chamber who came to help out.

The occupant of the Chair wrote me a very gracious note reminding me of his North Dakota roots and offering to help out with this disaster. We appreciate that.

We appreciate again especially the assistance of the chairman of the Senate Appropriations Committee. We appreciate the help of his staff. We appreciate the ranking member of the Appropriations Committee and his staff for the great assistance they have provided in getting this legislation in shape.

Finally, Mr. President, we also have a disappointment. The disappointment is that we have these unrelated measures that are in this legislation. Hopefully, this will all be resolved as quickly as possible so that the relief can start to flow to those communities that have been so badly hurt.

I thank the Chair. I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I shall be very brief. I had a chance to speak at some length about the need for disaster relief, and the need for emergency assistance for Minnesotans and the Dakotas. I want in less than 3 minutes to just say two things on the floor today.

I would like to thank my colleagues. This started out in the hope that eventually it will end up as a bipartisan effort, and a lot of cooperation to get help to people, our neighbors. This is help that doesn't make everybody whole again, but at least it gives peo-

ple a chance to rebuild their lives. I hope that next week that is where this ends up. It started out on a very positive note, and I hope it will end up there.

My second point is my colleague from North Dakota said he was disappointed. I am actually outraged. I think it is transparent. I think what is going on here is silly.

There are some extraneous amendments on what should be a straight disaster relief bill—the way we collect census data; having to do with a continuing resolution; having to do with a budget resolution; and, if there is any kind of crisis a Government shutdown next fall; having to do with parks; you name it. This shouldn't be on this bill.

I think what people know here—for some reason they think people in the country don't know it—that it is going to go to the President, the President is going to veto it, and it is going to be sent back. If it is an effort to embarrass the President, what is accomplished? Because when it gets sent back here, it is my fervent hope—and I believe this will happen—that these extraneous provisions will be taken off the bill. Then it will go back to the President, and then it will be signed.

What has been accomplished? Is the point to embarrass the President? Is it just a game?

I think we are going to be faced next week with one of two scenarios: Either it goes to the President, the President vetoes it—and everybody here knows it. But so do people back in our home States. They have intelligence. The President will veto it. Then it will come back here. And one of two things will happen: Either the bill will be stripped of these provisions that have nothing to do with the compelling need to get help to people, in which case, great. Thank you. Fine. But what was the point?

Or that will not happen. And if that does not happen, then I will use every measure I know how to use as a Senator to stop this process here. I will do everything I can next week if we do not get a clean bill. Everything I can do to fight for the people in Minnesota I will do. So my hope is that this ends up on the positive note that it started out on because this is really not about a kind of strategy or tactics. It is just about getting help to people, and it is time. It is time to do the right thing.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, I believe the distinguished Senator from California [Mrs. BOXER], has been waiting. How much time does she wish?

Mrs. BOXER. Up to 10 minutes.

Mr. BYRD. Mr. President, I yield 10 minutes from the time under my control to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank the Chair. I thank the Senator from West Virginia for his leadership on all of this, and the chairman of the committee. This is his first time as chairman bringing a bill to the floor. I know that both sides have worked very, very hard.

Mr. President, this is a good news-bad news day for the people in North Dakota and for the people in the 21 other States who are waiting to see this Congress finally pass an emergency bill and send it to the President. It is a good news day because the bill is before us.

As has been said many times, and I repeat it again, for both sides, from the chairman, Senator STEVENS, to the ranking member, Senator BYRD, to their staffs, to all of the members of the Appropriations Committee, of which I am a new member, I cannot tell you how grateful we from California are for the patience and understanding and the work that went into this bill, for the things we have in this bill to help our people. We have had devastating floods, and we have many things to do to pick up the pieces for the people who were hit hard, for the people who have to replant orchards, for the people who depend on Yosemite National Park and the tourism that it brings to give them livelihood and sustenance.

Those funds are in this bill, and they do not come from FEMA. I say to my colleagues. And, as my friend, Senator CONRAD from North Dakota, said, they are not in the pipeline. These funds must come through the pipeline, and until this bill passes they will not be there because they are from agriculture, they are from the highway fund, they are from the Army Corps of Engineers, and they are from housing.

So the funds that are in the pipeline—and I think it is important we all understand this—are the FEMA funds. By the way, if we have another tragedy in our country—we never know when disaster strikes—even that could be jeopardized. I watched with horror the tornado that hit Texas, and I thought to myself here we are on a break and another natural disaster hits. I hope FEMA does have the wherewithal to meet that disaster.

So, my friends, we are playing with fire. We are playing with flooding. We are playing with earthquakes. We are playing with disaster here. We need to be sure that the funds in this bill which have been put together in such a careful way get to the people who need them the most.

I am glad my colleague from North Dakota showed the photographs again of the devastation because sometimes we have a short attention span and we forget, but when we see those buildings as they looked when they were in flames in the middle of a flood, it really did remind you of World War II pictures, of the worst kind of attack, and this was an attack from nature.

We need to do what we can to make these people whole, to work with their



private insurers, to work with communities, to work with local and State governments to do what we can do. It is a very basic question: What are we here for? Are we here to play political games? Are we here to win a political skirmish? Or are we here to help the people who so need that help? I hope that, after we get through today, because clearly we have these riders attached to this bill that have nothing to do whatsoever with the emergency, I hope when this bill comes back from the President, who has been forthright about the fact he will veto a bill with these riders, we will strip these controversial riders from the bill and move on.

Mr. President, my people in California are waiting. They do not understand it. I went home, and they said, "Well, why, Senator, is this all taking so long?" I explained that there were three controversial riders placed on this bill that have nothing to do with the emergency. And one of them, the most controversial, undermines the budget agreement that we were all so proud to say we support. It is almost as if the majority is protecting the Senate from the majority.

Why do I say that? Because there is no reason why we have to put this Government on automatic pilot. There is no reason why we cannot do our work and pass our appropriations bills. We do not need an automatic pilot budget process in place. If we had that in place, why do we need the Senate? We would not need it; we would just put everything on automatic pilot. The only people who can cause a shutdown are the people right here in this Senate. If we agree we are never going to shut down the Government, let us agree to do our work and pass our bills and compromise and move forward.

I do not blame the President for being outraged on this. Here he holds a press conference; everyone is hugging everyone, Democrats and Republicans; they passed the budget. Everyone gave a little and everyone got a little. Now we have this automatic CR placed on an emergency bill, which, if it passes, will totally undermine that agreement there. There are harsh cuts in education and the environment. This does not belong on this bill.

Here is the point. These riders should stand on their own two feet. They should come here as separate bills. We should debate them and vote them out. They should not be attached to legislation to help people who have been thrown off their feet by disasters. This is wrong. We do not have to do this.

So, yes, it is a good news-bad news day for people in 22 States—good news because we are moving the supplemental, bad news because it has these extraneous matters attached that undermine the budget agreement and do other things and do not belong on this bill. The bill will be vetoed, and we will be back to square one. And people in the country will scratch their heads and wonder what on Earth are we

doing. That is not a proud moment for this Senate.

Mr. President, on an unrelated matter, I want to mention that something historic happened in California yesterday that does deal with another type of emergency, and that is the passage of junk gun laws.

Let me tell my colleagues what happened in California yesterday.

The California State Assembly and the California State Senate passed legislation to prohibit the manufacture and sale of junk guns in California, Saturday night specials. Those guns that have not one quality of safety standard are now banned from manufacture in the State of California, assuming the Governor signs this bill.

Mr. President, we talk about emergencies; 40,000 people a year are killed by gunshots in this great Nation, almost 300,000 a year are wounded, and the criminal gun of choice is the Saturday night special, the junk gun, the only product in America today that has not one quality of safety standard. In 1968, those guns were outlawed from importation after Robert Kennedy was assassinated. I have to say there was a big loophole that allowed American companies to make these guns. I am proud that the State assembly and the senate passed this bill. It is modeled after my bill that I introduced last year and again this year.

I hope that as we deal with emergencies and we look at the emergency of gun violence, we will recognize we have guns on the market today that are banned from importation because they are so poorly made, and at the minimum people deserve to have safety standards and quality standards on guns that they purchase.

So, Mr. President, it is a great day for Californians. Even with the worst, heaviest type of heavyhanded lobbying, these bills passed, and I am very excited about it. I hope that we will have the courage to do the same in the Senate. I will give the Senate a chance to cast that courageous vote.

I close, Mr. President, by again thanking my colleagues from Alaska and West Virginia for their assistance to the good people of California and the 21 other States, particularly the heart-rending photos we saw today that just reminded us of what happened in North Dakota. I thank them for working in a bipartisan fashion to get a bill to us that is an excellent bill, and I pray and I hope that we can get these extraneous riders stripped off of this bill so that the people in North Dakota and the people in the 21 other States can say this Senate did something to really help the people of America.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 28 minutes.

Mr. BYRD. How much time did the Senator from California [Mrs. BOXER], use?

The PRESIDING OFFICER. She used 10 minutes.

Mr. BYRD. All right. I thank the Chair.

Mr. President, I will yield myself such time as I may consume from the time under my control.

Mr. President, I regret that I am unable to support the conference agreement on the emergency disaster assistance appropriations bill, H.R. 1469, now before the Senate. I am unable to do so despite my total support for the more than \$5 billion in disaster assistance payments which are included in this measure for the hundreds of thousands of people across the country who are the victims of the many natural disasters that have occurred in recent months.

I also support the nearly \$2 billion contained in the measure for aid to our men and women in uniform around the world, particularly in Bosnia, engaged in peacekeeping operations, as well as the nearly \$1 billion contained in the measure for payment of veterans' compensation and pensions.

These funds are all vitally needed for the purposes for which they are appropriated and should be made available at the earliest possible time. Indeed, it is my view Congress should not have recessed for the recent Memorial Day break without having enacted into law these funds that are contained in this bill.

Unfortunately, as did the bill when reported out of the Senate Appropriations Committee and after Senate action, this conference agreement contains a number of controversial, extraneous legislative provisions which have no business being included in an emergency disaster assistance bill. The President has never wavered in his statement that he will veto the measure despite the critical nature of funding it contains for hundreds of thousands of people. He has urged Congress to remove the extraneous provisions and send him a clean disaster assistance bill which he can sign. Regrettably, the leadership in Congress has chosen to use this bill as a vehicle for making political points on such things as keeping the Government operating on automatic pilot for the entirety of fiscal year 1998 at 1997 levels regardless of merit and ignoring the fact that a number of activities throughout the Federal Government should not continue and should be cut or eliminated altogether.

This so-called automatic CR and other extraneous provisions need not be on this bill. They can be raised at any time and debated in their own right as freestanding measures. They can be raised by the leadership at any time. What other reason can there be then to insist on including them in this disaster assistance measure than to make purely political points?

I am disturbed by this decision to proceed in this fashion. I note that no Democratic Member of the conference on H.R. 1469, no Democratic Member signed the conference report. In not signing a conference report, I find no

fault with and intend no disrespect toward the chairmen of the conference. I congratulate Chairman LIVINGSTON on conducting a very fair and evenhanded conference. I congratulate our own chairman of the conference, chairman of the Senate conferees, Senator STEVENS, who also, likewise, is very aware of and always considerate of the needs of the constituencies of the Members of this body. I have always found him, over the long years of friendship that I have enjoyed with him, to be most considerate, charitable and fair. In the conduct of this conference, these two chairmen were courteous to all members and showed great patience and eminent skill in completing the conference as expeditiously as possible. Unfortunately, they had no ability to remove these controversial matters that have caused me to oppose the measure and have caused me not to sign the conference report, and I speak for others on my side of the aisle who, likewise, did not sign this conference report. Only the leadership of the two Houses could have accomplished that result.

To those Senators who have chosen to delay the enactment of the measure in order to make political points which they hope to gain from forcing the President to veto it, I say consider this: Next time it may be your State, it may be your people, it may be your constituents.

For the reasons I have stated, I will not vote for the adoption of the conference report.

We must not continue to play cynical games with people who need help when a disaster has taken lives, taken homes, taken farms, taken livestock, taken livelihoods. I hope that this will be the last time such tactics are employed on an emergency disaster bill.

Mr. President, I reserve the remainder of my time. Does the Senator from North Dakota wish to have some time?

Mr. DORGAN. Mr. President, I ask the Senator to yield for 5 minutes.

Mr. BYRD. I yield 5 minutes to the distinguished Senator from North Dakota, [Mr. DORGAN].

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. DORGAN. Mr. President, I spoke earlier today on the floor for about 30 minutes on this subject. I shall not extend much beyond that. But I did want to add my voice to the voice of Senator BYRD and express, as I indicated previously, two things. First, my gratitude for the resources that are in this bill that would be available and helpful to the victims of the flood in my State; and, second and also important, my concern about the unnecessary delay.

I was looking for a copy of the conference report. It is not yet available here in the Senate. The conference report is a conference report to provide emergency appropriations. The emergency appropriations are necessary to respond to natural disasters. But, of course, there are issues in this conference report that determine that it

will not become law. The conference report, if it were on my desk, I would hold it up and say, "This is not going to be law, and everyone in this Chamber knows it."

It is part of the process that is so frustrating from time to time in this Chamber. It is a process that goes on from time to time on a lot of legislation—and the Democrats do it, the Republicans do it: Put extraneous or unrelated amendments on a bill. That is not unusual. The rules of the Senate allow that. What is unusual is that a bill providing for disaster relief to thousands and thousands of people is now being used for that purpose. That's unusual. That's unprecedented. That didn't happen previously. A disaster bill, generally speaking, was a piece of legislation that most understood should not be used for the traditional kinds of political games that are played here in the U.S. Congress. That is what is different this time.

This aid will come. The resources in this bill will be available. Recovery will take place, but after, now, 2 weeks' delay. Two weeks ago today, the Congress left for the Memorial Day recess without having enacted a conference report. Now, today, the conference report is before us and it will be undoubtedly approved. It will not be signed into law, and everyone in this Chamber knows it.

Some say, and they make the case with great forcefulness, "It doesn't matter. Nothing that needs to be done is not now being done. There is money in the pipeline." I have heard it a hundred times this week from people who don't have the foggiest idea about what the facts are.

Will Rogers once said, "It's not what he knows that bothers me so much, it's what he says he knows for sure that just ain't so." There is some money in the FEMA pipeline to deal with emergency immediate relief—food today, housing tonight in a motel. But there is no money in the pipeline from HUD to rehabilitate the housing, to begin the construction that is necessary—in a State, by the way, that has a very short construction season. Losing 3 weeks in North Dakota, in a construction season where we have to replace probably 1,000 to 1,500 homes, is devastating. It is a delay that is devastating to the region.

That is the point that drives us and compels us to say, thanks for this aid. It will get there. We appreciate very much the cooperation of everyone. But we remain enormously disturbed by the fact that this conference report is not going to be law and everybody in this Chamber knows it, and the result will be another week of delay. There will be 1 more week with thousands of people who wake up in the morning not in their own beds, somewhere else—a shelter, a neighboring town, a hotel, a home of a stranger who took them in. There are thousands of them, thousands of them today without a home, waiting for the fundamental decisions

that will be unlocked by this bill. And the strategy today, by some, is to include in this bill something that will certainly gain a veto, because it has no relationship to this bill and the President has said it is something he cannot support. The result will be 1 more week, 7 more nights, 14 more nights, for people who don't have a home. That's the dilemma.

Mr. President, I have consumed my time. I thank the Chair and the ranking member of the committee. I hope, when all of this process is complete and the dust settles, that the quantity of resources involved in this bill finally, even if belatedly, will be there to provide some hope and help to those families who now feel hopeless and helpless. There is help on the way.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 minutes and 40 seconds.

Mr. BYRD. I thank the Chair. I yield 10 minutes to the distinguished senior Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the distinguished ranking member of the Appropriations Committee.

Mr. President, I very much agree with the Senator from North Dakota, the Senator from West Virginia, my colleague from California, and all who have really very sincerely expressed their dismay on the way this bill has been handled. I would like to just take a few minutes and remind my colleagues that this started with a flood in California in January, and it is now June. According to the California Office of Emergency Services, California sustained \$1.8 billion in damages during last winter's flooding. In California alone, 9 people died and 100,000 people lost their homes. They were forced to flee from their homes. This was the third 100-year flood in the last 10 years. It gives you the idea of the impact on part of the State.

Mr. President, 48 out of 58 counties in California were declared Federal disaster areas. Damage to levees, to roads, and other infrastructure was severe. There were over 60 levee breaks in the delta area of California. Many of those breaks have yet to be repaired. These levees do two things. Because the land behind the levee is below sea level, the levees protect homes and agricultural land from the rivers. Now, when the levees break, the land behind the levee is peat, and the peat comes out into the water. That water is the drinking water for two-thirds of the people of the State; that is 20 million people. And when you treat the water for drinking and it has been infested by peat soil, the chlorine throws off carcinogens. So the longer you leave these levees unattended and the longer you have the intrusion of the peat-infested

water into the drinking water, you increase problems in California.

So far, out of this more than \$1.8 billion, California has only received \$27 million for FEMA, for flood fighting, for debris removal, and for infrastructure repair. Fully repairing the damage to public facilities will take months, if not years.

I spent 3 days in these areas. I have flown over most of the levee breaks. I saw the extent of the damage. In places where I flew in a helicopter, let's say maybe 300, 400 feet above the ground, you could not see anything that was not flood-affected on either side. As far as your vision could go, flat land, from 300 to 500 feet above the ground, it was all water. You only saw rooftops.

I talked with people who lost as many as 14,000 trees in their orchard, who were wiped out of their dairy farms, wiped out of their homes. I went into the homes of people who were not farmers. I saw water halfway up the ceiling, everything ruined. Wiring, everything was ruined in the house. If only everyone could see this, I don't think they would want to play these games with this vital piece of legislation.

Let me remind my colleagues of the emergency relief provision and exactly what is in the bill: \$5.6 million, 22 States. According to OMB, the bill allocates \$3.3 billion out of new money and existing FEMA funds for disaster aid to California. Additionally, the bill provides another \$780 million for disaster-related work in California. This is \$200 million for Federal highway work, \$176 million for repairs at Yosemite, \$300 million for the Army Corps of Engineers, and \$47 million for the Department of Agriculture.

I want, just for a moment, to try to debunk the implication that no family has been denied assistance due to delays in the bill. This might be true for agencies like FEMA, which has the disaster trust fund to draw from. But other Federal agencies responding to the disasters are depending on this funding.

HUD currently has no CDBG funds to dedicate to disaster recovery efforts, and both the House and Senate bills contained a half a billion dollars for CDBG disaster recovery efforts. So without this bill, there is no money for these efforts.

Other Federal programs are also waiting for this funding: the Department of Agriculture's Emergency Conservation Program, which assists farmers in rehabilitating flooded farmland and clearing debris from the fields. Without this bill, farmers in the upper Midwest have to delay planting and will see their costs driven up.

The Watershed and Flood Prevention Program, the Tree Assistance Program—now, this is important. I mentioned losing 14,000 trees. Crops that are permanent, like vines and trees, are eligible for grants through the Tree Assistance Program for replanting. There are no moneys for that without

this bill. So it is necessary, if you are going to get the tree in the ground, to get it done as fast as possible.

Let me talk about one of our Nation's jewels—Yosemite National Park. Delaying this bill closes off parts of this park for millions of visitors, no question. The Park Service is proceeding with the most pressing needs, but funds in this bill are now going to arrive too late to affect this summer. That means that contracts to begin the permanent road widening and the permanent utility repairs need to be let as soon as possible to minimize the impact on the park. If it can't be done soon, we are into winter again and then it is not going to be for another year.

The President has made no secret about the fact that he will veto this bill when it hits his desk. We all know the problems with the automatic CR. I, for one, believe that this killer provision is really not necessary. We have shown that when we want to work together in a bipartisan way and make the necessary compromises that we can do it. All we have to do is pass appropriations bills on time. Two weeks ago we voted for a balanced budget. I think it is somewhat disingenuous to include the automatic CR in this legislation.

Let me spend a few moments on another killer issue, because I have spoken to a few Members on the other side about it, and that is the census sampling. I had hoped the conferees would have been able to accept the Senate compromise. The conference report prohibits the use of statistical sampling. This impacts every high-growth State in the United States. I know there is politics in it, let's face it, because lower-income people, minorities, are the most affected if you don't sample. So, if you don't sample, you cut down your numbers in that category. That might be one thing in elections, but let me tell you it is also another thing in funding formula. So by not accepting the sampling, the high-growth States are essentially deprived of vital formula.

Without sampling, the 2,000 census undercount would reach more than 18 million households, it would miss about 1 million people in California; it would miss 5 to 6 million in other States.

Let me give you one example. California's share of Federal vocational rehabilitation funds total about 8 to 9 percent of the Federal funds in the program. These funds would be 11 percent going to California if based on an accurate census. If we don't do the sampling, the cost to the State is \$70 to \$100 million in just this one program alone. You can multiply that all across the board in title I moneys for schools, for poor children, and so every State that has a growth in these numbers, if you don't use the sampling, for political reasons you are sacrificing formula dollars for your State. I might tell you, I find that very hard to do.

I intend to vote for this bill because the bulk of this bill is money for Cali-

fornia. I recognize that the President will veto it. I will also vote to sustain his veto when this comes back. I am hopeful that the rumors I hear about the House are correct, that there will be another bill and it will be a basic disaster relief emergency supplemental so we can get on with other things.

I thank the Chair. I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I yield the Senator from Arizona such time as he may require.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCain. Mr. President, I thank you, and I thank the distinguished chairman and ranking member of the Appropriations Committee. As always, they have done a very dedicated and very important job here.

As I always do on these bills, Mr. President, I am compelled to talk about some of the parts of this bill which were added which I find very objectionable and which I find unacceptable. I, again, lament that these really nonessential and sometimes wasteful appropriations are added to a bill that is labeled an "emergency supplemental appropriations bill."

Mr. President, in this bill, some that I have found—I am sure there are others—are that it makes an additional \$35 million available for new grants under the Commerce Department Advanced Technology Program. I am the chairman of the Commerce Committee. The Advanced Technology Program falls under the responsibility of the Commerce Committee. We have been investigating that program. We have had a lot of effort put in to making sure the best methods are used for selecting the recipients of these grants. And now in an emergency bill, we see \$35 million for new grants under the Advanced Technology Program.

It earmarks \$5 million for the study of water allocation issues in Alabama, Florida and Georgia; \$10 million for transportation planning and other purposes at Yosemite National Park; \$15 million for research on environmental factors affecting breast cancer; \$650,000 for the National Commission on the Cost of Higher Education. Someone has to help me out here. Where is the emergency? Where is the emergency that requires \$650,000 for the National Commission on the Cost of Higher Education?

It earmarks \$5 million for the development of a legislative information system in the Office of the Secretary of the Senate;

And \$16 million to continue development of an automated targeting system for the Customs Service; a set-aside, Mr. President—a set-aside—of \$12.3 million for discretionary authority to construct a parking garage at a VA medical center in Cleveland, OH. Do you want me to tell you that again? Mr. President, \$12.3 million for the construction of a parking garage at a VA

medical center in Cleveland, OH. I know this bill covers a lot of disaster areas. I don't believe Cleveland, OH, was an area that was afflicted, and certainly I do not suspect that a garage for a VA medical center would be an emergency.

There is an earmark of \$500,000 from previously appropriated funds for a parking garage—another parking garage—in Ashland, KY, to instead restore the Paramount Theater in that city; authorization to make grants under the Center for Ecology Research and Training for Bay City, MI.

There are others, Mr. President. This is really not fair to the American people, it is not fair to the taxpayers, and I wish we would stop these things. I, frankly, grow weary.

I want to talk about an important part of this bill, and that is the provision which has been put in the bill which prevents the President from shutting down the Government. That is what it is all about. It prevents the President from shutting down the Government.

As we know, in the last 2 years, one time he shut down the Government and another time the Congress was forced to add some \$8 to \$9 billion in additional spending which they otherwise wouldn't because of a threat to shut down the Government. Why would I care and why should we care, when we are talking about disasters, about the shutdown of the Government? Because the shutdown of the Government was a manmade disaster, Mr. President.

The shutdown of Government was a manmade disaster that afflicted the lives of millions of Americans and if it happens again because of our failure to do our work, we will, again, inflict pain and punishment on the American people.

I was interested in and I appreciate the comments just made by the Senator from California about Yosemite National Park. There is a report on the "Economic Importance of National Parks: The Effects of the 1995-96 Government Shutdown on Selected Park-Dependent Businesses and Communities." This is a report of the National Parks and Conservation Associations.

On page 8 it says:

Impacts were substantial in and around California's national parks, in spite of the fact that they were not in their peak seasons when the shutdowns occurred.

The report goes on to say:

At Yosemite National Park, an off season hardly exists. Impacts in and around the park, which normally receives more than 120,000 visitors in December, were the worst encountered in our investigation.

And then it goes on to quote Gilbert Ghyselinck, owner of Yosemite Gateway Inn, estimated loss, \$45,000; Jim Houtz, owner of the Cedar Lodge Inn and Parkline Restaurants in El Portal, CA, south of Yosemite, estimated loss, \$40,000 to \$50,000. "We put about 50 people on unemployment. It was pretty rough. The part that hurt us the worst was putting those people on unemploy-

ment when they were trying to put away for the winter."

Mr. President, I want to point out they were not Federal workers. They were people who were never repaid, never repaid for our shutdown of the Government.

A gentleman in Oakhurst, CA:

That Christmas and New Year's shutdown was the toughest on us. We're close to full that time of year—90 percent occupancy. I think we barely made 50 percent. It was only 10 days, but it was the 10 days you want. It's also had some lingering effect.

Cheryl Tyler, of Oasis of Eden Inn, Yucca Valley, CA, estimated loss, \$30,000. Cheryl Tyler said:

It really killed us. They were canceling as fast they could get on the phone. People booked for 5 days. They stayed one night and left. We lost half our business.

It goes on and on. Mr. President, this is what happens when you shut down the Government. I am totally and completely in sympathy with my colleagues who are seeking disaster relief. We, on this side of the aisle, are also seeking disaster relief. We are seeking relief from a disaster to ensure that it will never happen again.

I would like to quote from a study that was made by the Congressional Research Service, a CRS report for Congress entitled "Shutdown of the Federal Government: Effects on the Federal Workforce," James McGrath, analyst, National Government Division, updated June 17, 1996, conducted by the Congressional Research Service. Let me just tell you some things they talk about.

Examples of Federal services adversely affected by the shutdowns include those related to health, welfare, law enforcement, public safety, financial services, parks, museums, monuments, visas, passports, services to American Indians and services to veterans, among many others as listed below.

Health: New patients not accepted into clinical research. Toxic waste cleanup at 609 sites stopped; 2,400 Superfund workers sent home.

Welfare: 10,000 new Medicare applications, 212,000 Social Security card requests, 360,000 individual office visits, 13 million recipients of aid to families with dependent children, 273,000 foster care children, over 100,000 children receiving adoption assistance services, and over 100,000 Head Start children experienced delays.

There were 10,000 home purchase loans and refinancing applications totaling 800 million dollars worth of mortgage loans for moderate- and low-income working families nationwide that were delayed.

Law enforcement and public safety: Well, there is one good piece of news here, Mr. President, the suspension of investigative activities by the IRS. So I guess something good comes out of every disaster. But on a far more serious note, the Department of Justice suspended work on more than 3,500 bankruptcy cases. Delinquent child

support cases were suspended, the deadbeat dads program. Closure of 368 National Park Service sites. Loss of 7 million visitors. Grand Canyon National Park, closed for the first time in its 76-year history.

Local communities near national parks lost an estimated \$14.2 million per day in tourism revenues. I point out, again, Mr. President, the people who lost those tourism revenues never got them back. It was not like the Federal workers, where they were repaid when we started the Government up again.

Closure of national museums and monuments—the loss of some 2 million visitors; 20,000 to 30,000 applications by foreigners for visas to come to this country went unprocessed each day; 200,000 U.S. applications for passports went unprocessed; U.S. tourist industries and airlines sustained millions of dollars in losses because of visa and passport curtailment.

The American Indians. I will quote Deborah Maddox, the acting deputy commissioner for the Bureau of Indian Affairs:

We are getting close to an emergency situation. This week, we would be generating our general assistance payments for 53,000 individuals and families. These grants are for very basic needs and are for people who are not eligible for other services.

Mr. President, American veterans sustained a major curtailment in services as a result of the Federal shutdown, ranging from health and welfare to finance and travel. They include cancellation of vocational rehabilitation appointments; nonprocessing of payments for compensation, pension and education claims; delayed payments of GI bill education checks and insurance death claims; and canceled counseling services to avoid foreclosures. It goes on and on.

Mr. President, what we did when we shut down the Government was unconscionable and unacceptable, and it cannot be repeated. And for the life of me—for the life of me—I do not understand why. There is some connection being made between the extension of emergency disaster relief services and this provision in the bill. The only reason, Mr. President, there is a distinction being made is the President of the United States does not want to have to sign the bill with this in it because the President of the United States does not want to see legislation which would prevent his ability to shut down the Government.

Mr. President, in the Washington Post not long ago, a few days ago, there was a letter from Mr. ALBERT R. WYNN, who is a U.S. Representative to Congress representing a district in the State of Maryland, very close to here in the District of Columbia, it is a letter to the editor of the Washington Post.

While I recognize that The Post considers itself a national newspaper, as a U.S. Representative from the Washington region, I find portions of The Post's May 15 editorial

"Fooling Around in the House" very troubling.

I cosponsored the bipartisan "Government Shutdown Prevention Amendment" to the "Disaster Recovery Act of 1997." The amendment guarantees that the federal government will remain open and functioning at current funding levels if Congress and the administration cannot agree on the details of the Federal budget. Basically, this amendment provides a safety net for federal employees and the American taxpaying public, which expects its government to provide uninterrupted service. Given the devastating psychological and economic effect the last government shutdown had on our region, I am concerned that The Post considers such an amendment "fooling around."

The Post's assertion that this amendment "would change the balance of power between the elected branches" and that "the effect would be to lock in place a new norm in which an agency's appropriations would be frozen from year to year unless Congress acted to raise—or lower—it" is just plain wrong. The amendment clearly sunsets in 1998, and thus would affect only the appropriations bills now under consideration. . . .

Let me remind The Post of the effects of the last shutdown: The cost to the federal government was \$1.5 billion; 170,000 veterans did not receive December 1995 Montgomery GI Bill education benefits on time; more than 200,000 passport applications were not processed; pay for more than 750,000 federal employees was delayed; 7 million national parks visits were prevented; 2 million visits to historic museums were prevented; 5,200 small businesses did not receive guaranteed financing; 1,036 contract bid opportunities were lost for small businesses, and 30,000 FHA single-family home loans could not be insured.

For those who apparently think the Republicans are so humbled that they wouldn't shut the government down again, I would remind them that we never thought the government would shut down during the Christmas season 1995.

Thus, in the final analysis, I do not believe federal employees or taxpaying citizens think keeping the government open with a continuing resolution is "Fooling Around in the House."

Mr. President, I cannot say it any better. We have an obligation to provide for the needs of those who have suffered natural disasters. There is no one who sponsors this amendment who disagrees with that. And we want that money there as quickly as possible.

But I would allege, Mr. President, that when we ignore the possibility and fail to address the looming possibility of a manmade disaster which would be caused by the shutdown of the Federal Government, again, Mr. President, I cannot quite comprehend why we would not understand that we also have that obligation as well.

So I hope the President of the United States will change his mind. The Senator from Alaska, the distinguished chairman of the Appropriations Committee, has said, and I have said, we would be willing to negotiate the details of this amendment. We would be more than happy to talk about satisfying some concerns as long as we preserve the basic principle of keeping the Government open.

So, Mr. President, I believe we are going to pass this bill. I believe it is going to the President with it included

in the bill. And I hope that the President of the United States will sign the bill, and then we would prevent again the disasters that we inflicted upon the American people during Christmas of 1995, for which not only did the American people suffer, but I have to tell you, in all candor, the reputation of the legislative branch of Government and the entire Federal Government, the governing body, suffered as well.

Mr. President, I yield the floor.

Ms. MIKULSKI. Mr. President, I reluctantly rise to oppose the supplemental appropriations bill currently before us.

But first, let me once gain take this opportunity to extend my deepest sympathies to those communities and families in the Upper Midwest who have had to deal with the loss and anguish caused by the terrible flooding several weeks ago.

I know all Marylanders join me in extending our thoughts and prayers to everyone in the Midwest.

Like many of my colleagues, I had hoped for a quick and speedy passage of this critically needed assistance to the disaster victims. I know they are counting on us to help them get back on their feet—to help them rebuild their homes and businesses.

I am therefore deeply troubled by the fact that what should have been a speedy, nonpartisan targeted relief bill has instead turned into yet another nasty partisan battle that is designed to divide us and provoke a veto from the President.

I have several major concerns with the supplemental, the first of which is the census sampling amendment that prohibits the Census Bureau from using funds to conduct statistical sampling in the year 2000 census. While to many this is a dry, academic topic, it impacts all Americans on a daily basis.

In addition to being the manner for determining representation in the Congress, the census has become the basis for which billions of dollars in Federal assistance are allocated. Programs such as low-energy assistance, community block development grants, and other vital programs to Maryland for transportation, housing, and education all rely on accurate census data.

This amendment does not follow the congressionally sought recommendation of this Nation's top statistical experts who advise using statistical sampling to get accurate data. Instead this provision would result in an undercount of many of the Nation's citizens. Especially hard hit would be those in rural areas and the inner city poor. That's wrong.

There is no reason to play games with the census, particularly when so many people's lives are at stake. Everybody counts in America, and everybody should be counted.

Mr. President, I am also very concerned by the continued inclusion in this disaster relief package of what has artfully been called the Shutdown Prevention Act.

Nobody knows the pain of a Government shutdown better than me and the Marylanders I represent. When the last shutdown occurred, numerous people from across my State felt the shock and dislocation of those events.

When I visited the Government agencies that had to remain open, I saw the frustration on the faces of the workers and the financial hardship it caused for all Federal employees.

Let there be no mistake, I do not want another shutdown and will do everything I can to prevent it. But this bill is not the answer.

Instead, this bill which provides for a permanent continuing resolution, is nothing more than a partisan exercise designed to hamstring Congress from exercising its constitutional role in the legislative process.

If we fail to enact our appropriations bills on time, the continuing resolution contained in this bill simply prevents Congress from increasing spending on such crucial items as cancer research, crime fighting, and education. It also hampers Congress in cutting unnecessary spending and eliminating waste.

Lastly, I am disappointed by the method we have chosen to pay for this bill. By taking over \$3 billion in unobligated funds from HUD's section 8 public housing program to pay for FEMA's disaster relief fund, we are simply robbing Peter to pay Paul.

We cannot keep on raiding this program to pay for disaster funding. We must find a new way to pay for emergency supplemental appropriations bills because these disasters are not going to end.

We could be facing even more expensive disasters in the near future. Are we going to continually rob one or two agencies to pay for these bills?

I believe we need a new system or a new arrangement to deal with these types of disasters—a new system that is off-budget.

Mr. President, because of the census sampling amendment, the continuing resolution, and the way in which we have chosen to pay for the bill, I am forced to oppose this bill.

It is my sincere hope that in the future we can avoid these partisan fights over disaster relief bills and find a more equitable way to pay for them.

Mr. MCCONNELL. Mr. President, I wanted to take a minute to express my deep satisfaction with the results produced by the conference on the emergency supplemental bill. The negotiations were complicated by how many issues were in play, but the chairman did a masterful job at methodically and successfully working through each and every item. Chairman STEVENS' patience and perseverance are why we are here today.

I want to take note of two sections of particular importance to me. First, the transportation chapter includes language which is essential to Kentucky. This legislation provides for a long overdue funding correction in Federal-aid highway funding. As a result of an

accounting error, Kentucky's highway funding in 1996 resulted in a loss of Federal funds. This bill will provide Kentucky with \$29.8 million to correct this funding shortfall. I am pleased to report that this level exceeds the \$12.6 million requested by the Governor to complete the William H. Natcher Bridge. I know the people of Daviess County and western Kentucky look to the completion of this bridge.

Second the foreign operations chapter in the House bill included language giving the President permission to waive earmarks for Ukraine which the Senate had included in last year's bill. This waiver authority was being offered in response to a deteriorating situation involving corruption and a slow down on crucial economic reforms. Congressman CALLAHAN and I have very different views on the need for earmarks, but we share a concern about the trends in Ukraine. We were able to craft a compromise which made clear we are not content with the pace or scope of reform by allowing the President to waive any earmark as it affects aid to the Government of Ukraine. The compromise exempted important projects such as nuclear safety and all activities carried out by the private sector and nongovernment organizations. Most importantly, we did not permit any reduction in the overall level of the aid we provided—the \$225 million stands intact. Should the administration choose to withhold or suspend funds for the government, they must reallocate the funds to other programs within Ukraine.

We have sent a clear and focused message to the government that reforms are essential if businesses are going to have the confidence to invest. But, we have narrowly crafted that message so that we do not damage our bilateral relationship or the support we provide to organizations committed to advancing both Ukrainian and American interests. Both Congressman CALLAHAN and I will review the progress made on this important issue when we take up the fiscal year 1998 bills in the coming weeks. I want to congratulate him on concentrating our attention on Ukraine's problem and working so effectively with me and my Senate colleagues to produce a compromise which we all hope will generate real results.

#### DIRECT OPERATING LOAN FUNDS FOR LOW-INCOME AND MINORITY FARMERS

Mr. ROBB. Mr. President, I want to mention another group of Americans who are suffering as Members of Congress continue to hold up the disaster relief supplemental appropriations bill and prevent us from passing a funding measure that the President can sign. That struggling group is our Nation's low-income farmers.

Back in April of this year, a group of farmers came to my office and described to me a crisis as real as the floods faced by Americans in the Upper Midwest. It is planting season and many States, including Virginia, have exhausted their total allocation of di-

rect operating loans. Direct operating loans are the funds made available by the U.S. Department of Agriculture to cover the costs of planting and repaid when crops are harvested. Without operating funds, the livelihoods of many farmers, mostly on small farms, are threatened.

The Operating Loan Program is especially important for minority farmers, many of whom have suffered from the well-documented discrimination within the Department of Agriculture. Discrimination has caused or contributed to the financial ruin of minority farmers nationwide and has resulted in bankruptcies and impoverished retirements. But as the number of black farmers in the United States has dwindled at three times the rate of other farmers nationwide—nearly to the point of extinction—a few farmers have managed to survive and keep their struggling farms afloat. USDA acknowledges that “having direct operating loan funds is critical for low-income minority farmers in their effort to become self-sustaining, successful, contributing members of rural communities.”

After speaking with Agriculture Secretary Dan Glickman and with the assistance of Senators COCHRAN, BUMPERS, STEVENS and BYRD, we were able to include an appropriation in the supplemental to provide \$100 million in direct operating loan funds to those low-income farmers who cannot obtain credit elsewhere. I believe these funds are as critical to serving the needs of small and limited-resource farmers as implementing the recommendations outlined in the Civil Rights Action Team report to remedy many of the long-standing problems plaguing the Department and eradicating, once and for all, the discrimination that has plagued the Department for decades.

Unfortunately for Virginia and the other Southern States, it is now June, and we have reached the tail end of the planting season. As we waste time disputing controversial provisions attached to a disaster relief funding bill, we've denied farmers access to loan assistance and prevented the farmers who have survived decades of discrimination the money needed to get their crops in the ground and to keep their farms afloat.

Mr. President, I find this situation frustrating, but my frustration must pale in comparison to the low-income and minority farmers who have struggled and, thus far, have managed to survive this manmade disaster. Again I want to thank my colleagues who are interested in helping our Nation's farmers and helped add my language to the supplemental. But, I ask my colleagues who are keeping this desperately needed money out of the field and out of the hands of our Nation's farmers to stop playing politics and let us pass a bill that the President is willing to sign.

Mr. KYL. Mr. President, let me say, as I did when this legislation originally

came before the Senate a month ago, that I fully support the disaster relief that is being provided here. My heart goes not to the families that have lost their homes, their businesses, and their schools in the recent floods and snows. We have all seen the devastation on the evening news, in the newspapers. It is tragic, and we owe it to the people in the Midwest and elsewhere to put the full resources of the Federal Government behind the relief effort to help them get on their feet as soon as possible and restore some sense of normality to their lives.

Mr. President, the relief in this bill is urgently needed. So are the provisions that would prevent another shutdown of the Federal Government this fall. It seems to me that we are taking the very responsible step of acting now to prevent another shutdown of the Government—something President Clinton says he, too, wants to prevent. Yet the President is threatening to veto the disaster relief, of all things, on account of the antishutdown provisions.

Why would a President who says he opposes Government shutdowns threaten to veto a bill that would prevent Government shutdowns?

I will tell you why. Recognizing how anxious Members of Congress were about being perceived as responsible for another Government shutdown last fall—recognizing that Congress would do just about anything to avoid another shutdown—the President was able to demand and win an additional \$6.5 billion for his favorite programs. Majorities in the House and Senate went along. I did not. The threat of a shutdown proved to be a valuable part of the President's arsenal then, and it will be again unless we put a mechanism in place to keep the Government open while we continue to negotiate acceptable spending levels.

There are other good things in this bill as well, including provisions to extend the expiration date of the San Carlos Apache Tribe Water Rights Settlement Act of 1992, and to ratify the agreement between the tribe, Phelps Dodge Corp., and the Secretary of the Interior for long-term water use.

Yet, Mr. President, I find myself in the position of having to vote against this bill for the very same reason I did when it first came before this body last month: it is yet another in a long line of spending bills that merely add to the deficit. It is business as usual, and it comes at a time when we supposedly have reached agreement on a plan to eliminate deficits by the year 2002.

It would be one thing if there were no other way to get aid to the flood victims except to borrow. But it is quite another thing when we ignore other options in order to keep spending on other programs.

The Senator from Texas, Senator GRAMM, offered an amendment that would have reduced spending across the board by a grand total of 1.9 percent. One point nine percent. That is less than 2 cents on the dollar in other programs to pay for this disaster relief



and other spending. That is all it would have taken, yet there were only 38 of us in the Senate who voted for that amendment.

Later today, we will be asked to vote on the so-called balanced budget agreement that our leadership struck with the White House. The ink on the budget agreement is not even dry. Yet the supplemental appropriations bill we are about to vote on would add \$6.6 billion to the deficit over the next few years. It busts the budget agreement before the final vote is even taken.

What does that say about the budget agreement, which does not even begin to reduce the deficit until the year 2001? Consider the deficits that are projected under that plan. The deficit this year is expected to total \$67 billion. We are trying to get to a zero deficit—to balance—by the year 2002. But under the budget agreement, the deficit goes up, not down. It climbs 34 percent—to \$90 billion next year—and then remains in that range for 2 more years. Only in the final 2 years of the 5-year plan—in 2001 and 2002—would the deficit drop dramatically.

If anyone thinks that we are really going to be able to eliminate a \$90 billion deficit in those final 2 years—when we cannot even find a way to pay for less than \$7 billion in disaster relief in the bill before us today—they are mistaken.

Mr. President, we all know that disasters can and will occur on a regular basis. Unfortunately, they will happen—floods, hurricanes, earthquakes, and the like. We know it, and we should plan for it.

The Appropriations Committee acknowledged in its own report that the number of major disaster declarations in the 1992–1996 period has increased 54 percent. In other words, we had ample warning that something would occur somewhere.

Had we prepared for the need for disaster assistance last fall, instead of using every extra dollar to meet President Clinton's demands for new spending, we would already have been able to respond to the emergency in the Midwest and elsewhere around the country. But by ignoring the potential for disasters last fall, we merely paved the way for adding to the deficit now when the need for relief takes precedence over budget concerns.

Mr. President, this bill is more expensive than when it left the Senate a month ago. It is still not paid for. It busts the budget agreement that we will vote on this evening. We can and we must do better.

Mr. GLENN. Mr. President, I want to voice my very strong objections to the 2000 census language in this bill. It bans the use of sampling—and any other statistical technique—to count the American population for purposes of apportionment. It's unfair—it will cost the American tax payers about a billion dollars—it's political—it just doesn't make sense.

Let's talk about fairness. Without sampling, the Census bureau tells us

that the 2000 census may be about as accurate as the 1990 census. That's the best case scenario. But in 1990, the census missed 10 million people. It counted 6 million people twice. And it counted another 10 or 20 million people in the wrong place—maybe even in the wrong congressional district. Is that our idea of fairness? Is that our idea of "one man, one vote?"

And many of the people undercounted in the last census are poor. Many of them belong to ethnic and racial minorities. We excluded some of America's most vulnerable people from the democratic process. Is that our idea of fairness? Of course not. But that's the kind of census we will have if this language passes into law.

Let's talk about cost. The Census Bureau tells us that a non-sampling census could cost almost a billion dollars more than a non-sampling census. Much of that additional cost will go toward various efforts that the Bureau knows will have only marginal pay-off. But if the Bureau can't sample, it will have to make every effort—even marginally effective efforts—to count people the traditional way. Without sampling, we're talking about a higher cost census to deliver a less accurate population count. Is that a responsible use of tax payer dollars? Does that make sense at the precise moment in time when both Congress and the American people are committed to the painful process of balancing the budget?

And let's talk about common sense. Statistical sampling is a rigorous, reliable, scientific tool. You can't find a statistician who disagrees with that. That view is supported by GAO, the Commerce inspector general, the National Academy of Sciences, and a host of professional organizations.

The Bureau has been using statistical sampling in the decennial census for decades. The census long form—which goes to only one in six households—is a perfect example of a kind of sampling that is widely accepted. Virtually every arm of Government—Federal, State, and local—uses long-form data for enforcement of laws like the Voting Rights Act and for tailoring programs to the cultural diversity of our population. And we are not plagued with law suits challenging the reliability of this data because it is based on sampling.

Ironically, the language in this bill would allow continued use of sampling for the long-form. In fact, it allows sampling for every purpose except that most important one—counting the American people for purposes of apportionment. On the one hand, it acknowledges that sampling is valid and valuable—a scientific tool. But on the other hand, it denies us the use of that tool just where it would be most valuable. That makes no sense at all.

Finally, despite what I read in the newspapers, I have seen no data whatsoever validating the apparent political assumption that an accurate census means fewer House seats for Repub-

licans. It is true—as I have already stated—that many of the undercounted people are poor or members of minority groups. But other groups are undercounted, too. We undercount people in rural areas—that's a third of the 1990 undercount—and many of those areas are Republican strongholds. We undercount people who are renters rather than homeowners, and statisticians tell us that disadvantages the Sun Belt States—where Republicans are also strong. Just last week the 2000 Census Advisory Committee discussed the politics of the undercount. That committee consists of census and population experts representing the statistical community, every level of Government, and every large minority group. The committee was unable to determine who would be the political winners and losers in an accurate census.

This isn't about Democrats versus Republicans. We undercount people of every race, gender, age, State, and political persuasion. The real winners and losers in the sampling debate are the American people. Our system of Government guarantees equal representation for all Americans—regardless of race, ethnicity or economic circumstances—whether they live in the country or the city—whether they own their homes or rent them. That should be our goal—our only goal—in planning the 2000 census.

In my home State of Ohio, we had a slight overcount in 1990. But I don't fear the political consequences of an accurate census. My commitment is to the fundamental principles of America's system of Government. And I'm confident that the citizens of Ohio feel the same way. Give us a fair, accurate census, and let the political chips fall where they may.

I know full well that the Census Bureau's plan to use sampling is highly controversial. I have some reservations about it myself. Some people say that sampling doesn't meet the constitutional requirement for an "actual enumeration." Some say that sampling is inherently subjective because it is based on statistical assumptions. These are questions that must be resolved.

On the constitutional issue, however, the Governmental Affairs Committee recently heard testimony from a panel of attorneys who are not friends of sampling. The panel included Wisconsin's Attorney General James Doyle. He led the charge against sampling in 1990 because statistical adjustment of that census would have given California an additional House seat at Wisconsin's expense. We also heard from Stuart Gerson, the Assistant Attorney General who advised the Bush administration not to adjust the 1990 census. Both testified that the constitutional requirement for an "actual enumeration" doesn't require a headcount. What it requires—what the Framers intended—is the most accurate census possible. That's what we should be aiming for. And those who tell us that

sampling is inherently unconstitutional are trying to scare us into a census process that doesn't meet the Framers' goal.

What's critical right now is for census to continue its planning process—continue to appear before congressional committees—as it is doing before the Governmental Affairs Committee—and continue to explain its plans. Most importantly, the Bureau must test the proposed census plan in the 1998 dress rehearsal. Only after this process is complete will we know whether sampling will yield a better census—a census that includes every American. The census language in this bill would make that impossible.

My heart goes out to all the Americans who are counting on us for the disaster relief this bill will provide. I want to give them that relief. It is extremely regrettable that in our legislative process this has also become a bill that jeopardizes the most fundamental principle of our Democratic society—every American's right to equal representation. If the census language in this bill passes Congress today, it will add to the other reasons that may persuade the President to veto the bill—and send it right back to us. Then perhaps we can get on with the job of providing relief to the thousands of people who are counting on us, and let the Census Bureau get on with planning the best decennial census in American history.

Mr. LAUTENBERG. Mr. President, I reluctantly rise to oppose this conference report. Regrettably, the majority has decided to play politics with the lives of disaster victims. This is a tragedy.

Mr. President, I don't have a particular dog in this fight. My State has been fortunate to be free of disasters recently. But it pains me to look at television footage of homeless people in the Dakotas and Minnesota and know that they are not getting all needed assistance because of two unrelated political riders to this legislation.

Mr. President, I oppose this conference report because it includes the so-called automatic CR. I want to be clear with my colleagues—this provision violates the bipartisan budget agreement. Let me repeat this, the automatic CR violates the bipartisan budget agreement.

It violates the budget agreement for two reasons:

First, it would lower the total amount of discretionary spending available for fiscal year 1998. The budget agreement calls for \$527 billion in discretionary spending for fiscal year 1998, which is a \$17 billion increase over last year's level. If the automatic CR is enacted, the majority could refuse to pass the 13 appropriations bills and they would succeed in a \$17 billion cut in discretionary spending. This would violate one of the basic Democratic accomplishments in the budget agreement.

Second, the automatic CR would make deep cuts in programs that are

protected in the bipartisan budget agreement. The bipartisan negotiators agreed to provide large increases in 13 major discretionary programs.

Examples of these programs include: Elementary and secondary education improvement, Pell grants, child literacy, Head Start, national parks, job training, the Clean Water Act, Superfund, and the COPS Program.

Mr. President, the automatic CR would freeze these programs at last year's levels. Therefore, these programs would not get the increases promised in the bipartisan budget agreement if Congress did not pass certain appropriations bills.

Mr. President, as ranking member of the Budget Committee, I am concerned that the majority is violating the bipartisan budget agreement before the ink is dry.

First, they include this automatic CR that cuts overall discretionary spending and specific programs that were protected by the bipartisan budget agreement. Second, a House Ways and Means Subcommittee has approved welfare provisions that are in direct violation of the terms of the bipartisan budget agreement.

This is a disturbing trend. If we are to maintain bipartisan cooperation in the coming weeks, the majority will need to drop their efforts to move legislation that directly violates the bipartisan budget agreement, like the automatic CR.

Mr. President, I also oppose the census provision in the supplemental bill. This is not a provision based upon statistical science, it is a provision based upon politics. It is the latest attempt by the Republican National Committee to try to increase its political fortunes in the next century.

My Republican colleagues, at the request of the RNC, have proposed to throw hundreds of millions more at the 2000 census. This additional money, we have been told by the National Academy of Sciences, will not make the census any more accurate, just more expensive. The Census Bureau estimates that spending up to \$800 million more than planned would reduce the undercount only marginally.

This provision does not belong in a disaster relief bill and it should be stripped out and sent back to the Governmental Affairs Committee for further consideration.

Mr. President, I hope that the President will immediately veto this bill and that the majority will then pass a clean disaster relief bill so that people suffering all over this country will be able to begin the process of rebuilding their lives and communities.

I yield the floor.

Mr. DORGAN. Mr. President, I sincerely regret that the bill before us today is not the one which will get relief to the flood victims of the Upper Midwest. Why, because it is laden with extraneous, highly political provisions which the President has told us for months that he could not and would not sign.

What are those provisions? The first is an automatic continuing resolution

which, if enacted, would put the Government on automatic pilot if Congress is unable to complete its work on appropriations bills by the end of the fiscal year. While that may sound like a good idea, it is not. It would serve as a disincentive for Congress to complete their work in a timely fashion, and it would remove any leverage the President would have on appropriations bills not enacted by the end of the fiscal year.

The second extraneous provision prohibits the Bureau of the Census from using statistical sampling in preparing the 2000 census. Never mind that statistical sampling was proposed by the National Academy of Sciences after a lengthy study as the best way to ensure an accurate count. There is no question that this attempt to prohibit such sampling is politically motivated. While I oppose both provisions on their merits, neither, in any case, belongs on an emergency disaster appropriations bill.

The sole purpose of the bill before us today is to try to embarrass the President, not to help disaster victims. This is a sad day in the annals of congressional history. It is political one-upmanship at its worst. It is not about helping the people we were elected to serve. It is not about helping thousands of people in Grand Forks who are trying to rebuild their homes and their lives. It is about raw politics, pure and simple. Never, to my knowledge, has a disaster bill been held up for purely political, partisan advantage. That is what we are doing today, and that is just plain wrong.

A group of business and political leaders from Grand Forks were in Washington yesterday, including Mayor Pat Owens. They were here to meet with officials of the various agencies that will receive emergency funds in this bill. Our officials were discussing how the money contained in this measure could help their devastated community. A couple of them sat in on the appropriations conference. They were appalled at what they saw and heard. They heard about the census, the Ukraine, Uruguay, a continuing resolution, but they heard almost nothing about disaster funds. The people of Grand Forks are in dire straights. Their needs are urgent. Their lives are on hold, yet their problems were barely discussed in the conference.

We North Dakotans are a strong, proud, and resolute people. We will face the challenges ahead with courage and commitment. But with damages expected to be in the billions, we can not fully recover without the Federal help provided in this bill. As I stated earlier today, I am enormously grateful for all the resources provided in this bill to help our disaster stricken region. I am particularly grateful to Senators STEVENS and BYRD who were extremely helpful and supportive throughout

every step of the process. Without their personal intervention and continuous support, many items and millions of dollars would not be in the bill we have before us today.

I want to thank their staffs as well—Steve Cortese and Jim English—who gave me wise advice and counsel on my maiden voyage as a member of the Committee on Appropriations. On behalf of all the people of North Dakota, I want to thank them as well as all the members of the committee for their understanding and their generous assistance. I hope that by next week, we will be able to deliver the resources promised in this bill.

Let me just list a few of the items in the bill that will have a direct bearing on our ability to recover, and for which there is currently no money available in the pipeline:

\$500 million in community development block grants. This is the most flexible funding and the most crucial component to allow for buyouts. While all disaster States are eligible for this assistance, we anticipate that the majority will go to the Dakotas and Minnesota;

\$50 million for a new Livestock Indemnity Program which will help North Dakota farmers and ranchers who have lost close to 125,000 head of livestock;

\$15 million in Department of Agriculture funds to purchase floodplain easements to reduce hazards to life and property due to the floods;

\$5 million for the Interest Assistance Program to provide additional funding for guaranteed, low-interest loans to farmers;

\$20 million to reimburse school districts who have had to educate additional children who were dislocated by the floods;

\$5 million for all preconstruction and design work for an outlet from Devils Lake to the Sheyenne River;

\$27.9 million in Corps of Engineers funding for North Dakota from the Flood Control and Coastal Emergencies Program;

\$600,000 for Ramsey County to mitigate damages to the sewer system from flooding, if necessary;

Up to \$20 million for the Corps of Engineers to raise the levees at Devils Lake;

\$210,000 for North Dakota's National Parks;

\$3.9 million for the BIA in North Dakota;

\$265,000 for the Indian Health Service in North Dakota;

\$6.1 million for North Dakota to repair damaged freight rail lines;

\$9.3 million to the Fish and Wildlife Service in North Dakota;

\$840,000 for the U.S. Geological Survey in North Dakota;

Department of Education waiver authority language which will permit the Department to help students having difficulty meeting application and other statutory deadlines regarding Federal education funds; and

Language that allows disaster States greater flexibility in using child care and development block grant funds to help families in nonemployment-related activities relating to the cleanup and recovery.

My purpose in providing this list is to illustrate the urgent need to pass a bill the President can sign. Those who argue that there is plenty of money in the pipeline to respond to our needs are just plain wrong, as the list above so aptly demonstrates. None of funds listed above will be available until the President signs a disaster bill.

There are many people beyond the Congress to thank for their support in the wake of a series of historic and devastating disasters in North Dakota. Above all, I want to thank the people of North Dakota who, despite their losses, have refused to be overcome. They have displayed a remarkable sense of courage, caring, and conviction throughout the ordeal. Never have I been more proud to represent the State of North Dakota than I am now. They are wonderful people. They know the meaning of neighbor. Whenever and wherever they were able, they extended a hand to those less fortunate.

The great spirit of our people is embodied in the mayor of Grand Forks, Pat Owens. While small in stature, she has the heart of a giant. She gave us the courage not to lose courage. Her indomitable spirit held the citizens of Grand Forks together during the worst days of the tragedy, and now is guiding us patiently and compassionately through the recovery.

Finally, I want to thank all the Federal agencies for their long hours and hard work in bringing emergency assistance to relieve the immediate suffering of our citizens. They have done a magnificent job under extremely trying circumstances, and we are grateful for their superhuman efforts. James Lee Witt, the Director of FEMA, has been the guiding light in this endeavor. He came to North Dakota and personally witnessed the devastation, and then rushed personnel and resources into the State to assess damages and provide emergency assistance. He has also coordinated the activities of other Federal agencies in trying to get assistance to those in need as quickly as possible. That process is ongoing, and James Lee remains the stalwart in that endeavor. We thank him for all he has done and continues to do.

I intend to support this bill even though I know it is headed for a veto because of the extraneous provisions contained in it. I am voting for it to keep faith with my constituents, and to give them hope that a very similar bill, absent the political riders, will be passed next week. That bill will provide us with the helping hand we need to rebuild our communities, reunite our families and restore our economic base. We will face the challenge ahead with courage and commitment. With our prairie faith to guide us, we will rebuild, we will recover, and we will be a stronger community.

Mr. STEVENS. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Alaska has 36 minutes, and the Senator from West Virginia has 5½ minutes remaining.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

Mr. FORD. And it be charged to the majority.

Mr. STEVENS. We will take it off our time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. DASCHLE. Mr. President, I want to add my comments to those already expressed about how important it is that this legislation be passed, that it be acted upon rapidly, that people understand the extraordinary emergency that we are experiencing, that money is not adequately found in the pipeline today to meet all of the contingencies that are currently affecting communities all through the Midwest.

A delay by any other means will send exactly the wrong message to so many people who are waiting for us to act. We know that the legislation in its current form will be vetoed. It is a very dark day in the Senate, and, in my view, it is an extraordinarily unfortunate set of circumstances that today when we have an opportunity to send the right message to all the people who have contacted us, when we have an opportunity to say we do understand, we find many of our colleagues pushing a political agenda that has nothing to do with this legislation at all.

Mr. President, I would hope that the Senate would not adjourn until we find a bill signed by the President. I would hope that once this bill is vetoed, we will move a clean bill immediately, send it back to the President immediately, that we will not allow that veto to be any cause for delay in responding as comprehensively as we know how to respond to the needs we find across this country.

The balanced budget agreement we all voted on just 2 weeks ago makes a continuing resolution virtually unnecessary. We do not need to have a continuing resolution given the fact that we are working now in good faith on both sides of the aisle to resolve what remaining problems there may be with regard to budgetary policy. And I have every expectation we will be able to pass these appropriations bills and we will pass the reconciliation bill along the lines of the agreement that we have just voted on.

We know that there are contentious issues that have to be addressed outside the budget itself. The census sampling question is one that understandably is controversial. But I must say,

the National Academy of Sciences was charged with the responsibility of coming up with a way with which to improve upon the accuracy of the census.

We know that, because of methods used in 1990 by the Bureau of the Census, we were not even as accurate in 1990 as we were in 1980. And as we examine all the other possibilities for attaining a greater degree of accuracy, the one that is universally accepted is the one subscribed to and incorporated in the policy that is the subject of this controversy right now.

This is not something dreamed up by a Democratic or a Republican administration. This is something calculated to be the most accurate response by the National Academy of Sciences. But regardless of how one may view that particular issue, it ought not be in a bill to address the disasters that we face across this country.

There are many, many needs that are unmet. We received letters from communities across South Dakota, across North Dakota. Every one of them has made it very clear that the immediate passage of this supplemental is crucial to their economic viability. No contracts can be awarded to repair the sewer system in Watertown, SD, until this bill is passed.

I have a letter from the mayor of Watertown, who has asserted once more the extraordinary difficulties that she, as mayor, is facing. I will just read a couple of passages.

I ask unanimous consent that the entire text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CITY OF WATERTOWN,  
Watertown, SD, June 3, 1997.

Senator TOM DASCHLE,  
Hart Senate Office Bldg.,  
Washington, DC.

DEAR SENATOR DASCHLE: I appreciate the opportunity to provide information which underscores the need for the immediate passage of the Supplemental Disaster Relief Appropriation bill.

On April 4th, the City of Watertown, a City of approximately 20,000 residents suffered a 500 year flood event which was fought by City, County and State resources in the midst of a 60 mph blizzard in subfreezing temperatures. Flood waters froze and remained for 4-5 weeks. Over 4,000 residents were evacuated during the flood and storm. Approximately seven hundred and fifty homes were left without sewer and water for over four weeks. The sanitary and storm sewer systems were inundated and our wastewater treatment facility which was designed to treat 3.5 million gallons of sewage per day was flooded by over 18 million gallons per day.

Substantial damage was done to the sewer and infrastructure system. Many homes were severely damaged by water and ice. A substantial number of residents remain displaced today.

Both FEMA and SBA, along with Red Cross and the Salvation Army were enormously helpful in meeting the emergency needs of the affected residents and continue to assist to this day; however, without the Supplemental Appropriations bill, it is impossible to begin to fully recover.

As a City, it now becomes our responsibility to prioritize needs, both short term and long term. As we proceed to do so, it is incredibly difficult to make firm plans without the commitment of Federal emergency dollars. Certain emergency projects, which have not been budgeted, must now be done to protect the community from experiencing further damage: the capping of storm sewer pipes from the river to prevent the re-flooding of an entire quadrant of the City; significant sections of sewer must be repaired to prevent the system from being flooded by extremely high groundwater levels, streets must be patched or repaired due to extensive water damage and shorelines along the lake area must be reinforced to stop the ongoing damage due to high water and wave action. No contracts can be awarded without confirmed sources of revenue for projects which the City cannot accommodate due to lack of dollars. In addition, South Dakota construction seasons are very short. Without immediate passage of the Supplemental bill, Watertown will be unable to make many necessary repairs during the current construction season.

Mitigation issues, both short term and long term are dependent on immediate Federal assistance: flood control projects cannot be accurately assessed without the consideration of the buy-out program which serves to relocate businesses and residences out of the flood plain. The degree to which buy-outs or flood prevention structures are necessary cannot be determined without the knowledge of available assistance levels. Residents whose homes would be excellent candidates for buy-outs are in limbo, unable to make decisions about reconstruction or completing the recovery process because the City is unable to negotiate unless firm funding commitments have been made. And, in fact, the result of delayed passage of the Supplemental bill may be that the City is forced to eventually pay more for homes which were repaired in the meantime.

CDBG funds are incredibly important to the States and Cities because they are flexible funds, allowing dollars to be delivered to priority projects in a timely manner. Leveraged with local and EDA funds, communities can get the most for the dollars being spent. No community or State is prepared for the immediate incredible costs of additional staffing needs, mitigation planning and project costs resulting from such devastating, unexpected occurrences. Immediate dollars for planning and technical assistance are critical to our recovery.

In the case of northeast South Dakota, communities such as Watertown continue to be threatened by record high water tables, aquifers and saturated watersheds which bleed into one another increasing the likelihood that flooding will continue to be a problem. Unless necessary measures can be undertaken to reduce our exposure to future floods now, future costs will continue to mount . . . Immediate and future mitigation needs require dollars for both local and State governments working as partners to solve problems as quickly as possible.

Watertown's economy will be enormously impacted by the devastating floods of 1997. Our very livelihood centers around the agricultural community for 100 miles in all directions. With many of the roads under water, travel to patronize our businesses is severely impacted. Without immediate assistance for animals killed during the disastrous winter and historic floods, herds will not be revitalized, profits will plunge and dollars for commerce will be few. Fields unable to be planted will equate into diminished dollars long term for businesses on main street. The very economy of Watertown and many affected rural towns like it, are

dependent upon the immediate response of Congress. We are so grateful for the generosity and assistance provided to us from throughout the United States. We are now in need of dollars to rebuild for the future. The very well-being and livelihood of thousands of affected disaster victims in the upper mid-west cries out for assistance in picking up the pieces of their lives and rebuilding the affected areas of their communities.

In closing, Senator Daschle, I would remind members of Congress that the bottom line in all of this is people. As I have stated before, Watertown is determined to recover and become stronger than ever. The incredible community spirit I have witnessed throughout these very difficult days has been nothing short of inspiring. We simply ask that the Supplemental Appropriations bill be passed as soon as possible to enable our community and others to recover and to heal.

Sincerely,

BRENDA S. BARGER,  
Mayor.

Mr. DASCHLE. Mr. President, it is addressed to me. It says:

[I want to underscore] . . . the need for the immediate passage of the Supplemental Disaster Relief Appropriations Bill . . .

As a city, it now becomes our responsibility to prioritize needs, both short term and long term. As we proceed to do so, it is incredibly difficult to make firm plans without the commitment of Federal emergency dollars. No contracts can be awarded without confirmed sources of revenue for projects which the City cannot accommodate due to lack of dollars. . . .

Watertown's economy will be enormously impacted by the devastating floods of 1997. Our very livelihood centers around the agricultural community for 100 miles in all directions. . . . Without immediate assistance for animals killed during the disastrous winter and historic floods, herds will not be revitalized, profits will plunge and dollars for commerce will be few. Fields unable to be planted will equate into diminished dollars long term for businesses on main street. The very economy of Watertown and many affected rural towns like it, are dependent upon the immediate response of Congress.

Mr. President, I do not think you can say it any clearer than that. These people need help. They need it now. They do not understand all these complicated, misguided and extraordinarily problematic extraneous matters added to this legislation at the worst possible time. It is not just mayors, it is not just the people living in most of our communities in eastern South Dakota, North Dakota and Minnesota that are struggling. Farmers and ranchers have also expressed themselves in a myriad of ways.

Mr. President, 350,000 livestock in South Dakota alone were lost in the storms and flood—350,000. We have never had an experience of that magnitude in my lifetime. We have \$145 million in livestock losses alone. Not one dime has been provided or can be provided to indemnify producers for livestock losses until this bill passes. There is no possibility of providing any meaningful relief to livestock producers anywhere in the country until this legislation passes.

Mr. President, I have received so many remarkable letters from people all over South Dakota. I want to read

excerpts of one, and I ask unanimous consent the entire letter be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 14, 1997.

Senator TOM DASCHLE,  
Hart Office Bldg.,  
Washington, DC.

TO WHOM IT MAY CONCERN: We live in the far North West corner of South Dakota. We have had a devastating winter to say the least. This last storm just added a finishing flair to the proverbial cake. When the winds finally died, we went to check our cattle. We had bedded heavily and created the best protection we could for them.

We found a horrifying sight; the cows looked as if they were walking snowballs. They had suffocated from ice covering their nostrils. As we went along we found dead calves scattered and tromped into the earth. Some stood like statues froze over with snow, blinded by the same. Our hearts ached, we spent the day dragging in cold calves that were trying their best to hold onto life. We saved what we could, others just gave up hope, as are we.

Our daughter who is eighteen, had never seen such a heinous sight. It is seven days past since the storm. We are still losing calves from the effects. Our greatest fear is not only financially, but that our daughter is tremendously stressed, as well as we. There is no greater pain than watching a child agonize.

As we heard of losses through the community our hearts were further pained. All have lost livestock, all are in pain. Some losses have been such as extreme ones we wonder how any human can live through it. Some are not or have chosen not to.

We implore you to please send some relief our way. A 70/30 deal is to no benefit if you can't afford the 70. We have lost 12 cows and approximately 30 calves. We know people that have lost 100 head to 150 head so we feel fortunate.

Ironically this loss could financially devastate us, so far this winter has costed us \$82,000 more than usual. Yet we feel fortunate it isn't more. We also feel fortunate to still have each other and God to hold us up.

PLEASE.....S.O.S.!!

Sincerely,

NOLAN L. SEIM,  
Shadehill, SD.

Mr. DASCHLE. The letter is from Nolan Seim:

To whom it may concern,

We live in the far North West corner of South Dakota. We have had a devastating winter to say the least. This last storm just adding a finishing flair to the proverbial cake. When the winds finally died, we went to check our cattle. . . .

We found a horrifying sight; the cows looked as if they were walking snowballs. They had suffocated from ice covering their nostrils. As we went along we found dead calves scattered and tromped into the earth. Some stood like statues froze over with snow, blinded by the same. Our hearts ached, we spent the day dragging in cold calves that were trying their best to hold on to life. We saved what we could, others just gave up hope, as are we. . . .

We implore you to please send some relief our way.

Mr. STEVENS. Will the Senator yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mr. STEVENS. My question to the leader is I hope he realizes this is new

law. Never before in the history of the United States have we assisted people who lost cattle during a disaster. So we are making new law. It is not just an appropriation. It is an authorization bill, too.

I accept what the Senator says. It would be nice to get the bill passed, but I want the Senate to know that we took it upon ourselves to not only appropriate money but to change the law so that disaster aid would be available to people who lost cattle. I understand this is a bad disaster, but there have been many disasters where people have lost cattle before and they received no aid.

Mr. DASCHLE. If I could respond to the distinguished chairman. He has done an outstanding job, and I appreciate his responsiveness to this particular need. We have had other disasters where cattle were detrimentally affected, and ranchers have been compensated for livestock, but they have never been compensated, as he has indicated, for losses as a result of floods or winter snowstorms.

But we have clearly set precedent with regard to the reimbursement of ranchers, and, in fact, that happened in 1992. This legislation is modeled after that particular legislation, and I appreciate greatly his support and the effort he has made to respond to this circumstance as Congress has responded to situations in the past involving livestock.

Mr. President, it is not just livestock producers, it is not just communities. People in South Dakota and across the Midwest have been hit across the board in a number of different ways. It has been the coldest winter on record, we have had the most severe blizzards in our history, a 500-year flood, and there were only 2 days in 1997 when a Presidential disaster was not in effect for South Dakota. The winter storms produced winds chills of 90-degrees-below-zero and 70-mile-an-hour winds, 13,000 miles of road were impassable, and lives and livelihoods were threatened in ways we have never seen before.

My point in reminding all of my colleagues about this loss, Mr. President, is simply this: There is no patience left out there. They have endured the winter. They have endured the floods. They have endured this long, deliberative process about how we respond in the most effective way to all the problems we have across the country in emergencies and disasters where declarations have been made, but they do not understand this. They do not understand how anyone can take a bill this important and use it for vehicles that have nothing to do with the disaster, nothing to do with an emergency, nothing to do with responding as effectively as we possibly can, given the circumstances that they have had.

I do not understand it either, Mr. President, and I just hope that we can collectively respond as soon as the veto is made in a way that will give them more hope and less frustration, more

belief in what we as Republicans and Democrats can do to respond more effectively than we are this afternoon. We have to get rid of the extraordinary cynicism that comes so often when people in the country affected by these circumstances watch what we do. We cannot effectively deal with that cynicism so long as cynical uses are made of legislation this important.

So, again, let me thank the chairman for his best effort in trying to resolve any of these difficulties. Let me thank the ranking member. Senator BYRD has been extremely responsive and cooperative in all ways, as he is in so many instances. I thank the Members for their efforts.

I must say, this is a disaster in and of itself. For us not to be able to respond, for us not to resolve these matters, for us to know that this bill will be vetoed, and do it anyway, is inexcusable and inexplicable. I just hope we can find a way to resolve these matters this week and decide in a mutual fashion that we will get a new bill that will be signed by the President in the shortest possible time.

I yield the floor.

Mr. STEVENS. Mr. President, I appreciate the kind words that the Democratic leader has made here on the floor. My response to him would be that no President in the history of the United States has closed down the Government like President Clinton did. There are hundreds of thousands of people who were put in a position of being told to stay home, they could not go to work. When they did not go to work, facilities all over this country were closed. People were told they could not get their veterans checks, they could not get any assistance from the Social Security Administration. They were totally closed down.

Now, to use the first vehicle available to us in the appropriations process to try to prevent that, I do not think is a cynical act. I am sorry that he used that word with regard to this provision. It is a legitimate difference of opinion with the administration and with the minority, but I do not believe we are being cynical in trying to protect the people of the United States from another shutdown, which I foresee is going to happen unless we find some way to come to an agreement with this President about the misuse of the Presidential power to shut down the Government when we were not out of money, by the way. We were not out of money. There were funds that could have been used to keep the office open.

Mr. DASCHLE. Mr. President, let me respond very briefly, and I know there are Senators who are seeking recognition. We will differ as to who it was that shut the Government down. I think many of those in the Republican leadership have already admitted themselves that they hold the larger share of the responsibility.

The question is, do we need this vehicle, this bill, as the only means by

which we can resolve that problem in the future? That, in my view, is the cynical part of this. We know we can resolve it. We know we can find a way with which to deal with shutdowns in Government. We know that we can find other ways to resolve our differences. But to use this must-pass piece of legislation to do it, in my view, is wrong. A lot of our colleagues know it is wrong, and I just hope we can put those issues aside and deal with them at another time and get this legislation passed the way it should be passed.

I yield the floor.

Mr. STEVENS. I yield the remaining time to the Senators from Texas.

The PRESIDING OFFICER. Senator HUTCHISON.

Mrs. HUTCHISON. What is the remaining time?

The PRESIDING OFFICER. Thirty minutes, twenty-one seconds.

Mrs. HUTCHISON. I will speak for 5 minutes, and then I will yield the floor to my colleague from Texas.

Mr. President, I would like to speak on two issues that were brought up by the Senator, the distinguished minority leader, and also others on the floor, and that is, we keep hearing, "Send the President a bill he can sign." Mr. President, we are sending the President a bill that he can sign.

It is like we have a responsibility in Congress just to please the President. Mr. President, I think this is a two-way street. Pennsylvania Avenue runs two ways.

It is well settled in American law that there is a Congress that passes laws and a President who signs or vetoes those laws. So it is not, "Send the President a bill he can sign." We are sending the President a bill he can sign. We are sending the President a bill that he has asked for, to replenish the FEMA funding. The people of North Dakota and South Dakota and Minnesota are getting the help they need—and they should, and we want them to—and we are going to replenish those funds.

In addition, we are providing the notice and the process to not only the people who work for Government, the people who depend on it, about what is going to happen, what process are we going to use for appropriations bills so they can plan, so they will know that the veterans checks will be there, so they will know, if they plan their family vacation on October 2, that they will be able to get into the Grand Canyon, so that if they have a problem with a passport, they will know that there is not an artificial disruption of Government on October 1 because the President and Congress have not agreed. What better time to provide that process than right now in the first appropriations bill of this year?

Mr. President, we are sending the President of the United States a bill that he can sign to replenish the FEMA funding, and we are acting in a most responsible way so that the veterans of this country will never again have to

worry if their check is going to be there on time, so that the very disaster victims that we are trying to assure have coverage will never have to worry that the check is going to get there on time because they will never have to worry that Government might shut down if Congress and the President have not agreed to one or two appropriations bills by the September 30 deadline. We want Congress and the President to have a level playing field, to negotiate in good faith, as Congresses and Presidents have done for years in this country.

The second issue I want to talk about is why we have to do these things in this bill, why we can't do it in a separate bill, as the distinguished minority leader has asked that we do? It is because there is urgency. There is urgency in determining how we are going to do the processes of Government, whether it is census, whether it is just the functions of Government. There is an urgency that we set that process right now. So, Mr. President, when we hear all of the talk about sending the President a clean bill, we are sending the President a clean bill. We are sending the President a bill that provides for the funding for our armed services, to replenish their accounts; we are sending the President the replenishing of the Federal Emergency Management Account; we are providing for the people who are in need as we speak, and we are making sure that there is not a disruption today, nor on October 1 or 2 of this year, because we are providing for the orderly transition of Government from fiscal year to fiscal year.

Mr. President, when you hear all of the horror stories about this bill not being clean, having political overtones, we need to set the record straight. The President can sign the bill that we are sending him, or he can tell us what he doesn't like about it and negotiate in good faith. But to tell the American people that any victim of a disaster is not getting funding, especially when he has not even made a decision yet to declare the victims of a tornado in Texas last week a disaster so that they will know the funding is coming, I think is a specious argument.

I ask the President and the minority leader to cease and desist from telling the American people something that is not true, and that is that we are not providing for the disaster victims and the armed services of our country. We are doing it, and we are providing responsible Government for the people who depend on Government checks, whether it is the worker or a citizen of our country, so they will be able to plan on October 1 of this year that there will not be a disruption for any reason in the normal processes of Government.

Mr. President, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Texas is recognized.

Mr. GRAMM. Mr. President, let me make a very brief comment on this

issue that the minority leader has raised. Then I want to turn to the real purpose that I have come to the floor to speak on today.

What we have done in this bill, recognizing what happened last year when the Government shut down, is simply say to the President that if we have an impasse in deciding on how much money we are going to spend in any given area, while we are working out those differences, the Government, in that area, will have the same level of funding that it had this year, and so the Government will not be shut down and services won't be disrupted.

There is only one reason the President would refuse to go along with this imminently reasonable proposal, and that reason is that the President believes that by having the leverage of shutting down the Government, he can extract additional spending from the Congress. That is what happened in the last week of the session last year. We increased spending by about \$7 billion in that year, and about \$20 billion over the next 4 years, basically because of the power of the President to intimidate a Congress that was frightened because the Government might shut down.

So I hope nobody is confused. This issue is about spending money. The President wants to spend more of it. We would like to begin by saying that while we negotiate on that subject, we will not shut the Government down; we fund it at the existing year's level.

I am sorry to have to come over to be, apparently, the last speaker of the day on a bill that everybody will rejoice in and pound on their chest and say, "Look what we have done for our fellow citizens who had the misfortune of having terrible floods." We have all seen the pictures, and those of us who represent States that weren't flooded have all been thankful that it didn't happen to us. Our hearts have gone out to those who have been victims.

I want to end this debate today by pointing out why this bill represents a failure. It represents a failure for the Congress and the American people, not because we are helping people who suffered from a disaster, but because we are not paying for it. We want to get all this credit for being compassionate. We want to fulfill the obligation that the Government has taken on itself to help people who suffer from natural disasters. But when it comes right down to it, we don't want to do what families have to do in America, or what businesses have to do when they undertake similar activities—that is, we don't want to spend less money on other things. In fact, when we considered this disaster funding bill on the floor of the Senate, I offered an amendment to reduce spending across the board in other areas by .7 percent—hardly massive cuts—so that we could help those who suffered from natural disasters, but do it in such a way as to pay for it. I am sorry to say that my



amendment got only 38 votes. I personally believe that if the American people had the right to vote on paying for the disaster assistance by cutting other programs, they would have voted for that amendment and it would have passed. So I somewhat feel here in the Senate as if my views on this subject are kind of hopelessly out of fashion. But I do believe that when families sit around kitchen tables every night and write their budgets and make tough decisions when they have emergencies, they have to take money away from things they want to do, and I believe they would have been on the side that I took on this issue.

This bill, as now written, with all the good things it will do, will raise the deficit this year by \$760 million. It will raise the deficit, over the next 5 years, by \$6.6 billion. We are going to adopt a budget resolution. We have already adopted it in both Houses of Congress—we are going to work out the differences and adopt it shortly—that is going to set out the claim of balancing the budget. I am not going to drag that dead cat back across the table by pointing out again in great detail that 97 cents out of every dollar of deficit reduction in that budget is simply assumed. It doesn't represent any policy change. But I have to lament, in passing, that before that budget is adopted, we are already busting that budget by \$6.6 billion. The deficit spending in the Senate and the deficit spending in Washington never comes to an end.

I wish we were having a different battle today rather than fighting over continually funding the Government—which I think we should—instead of allowing it to be shut down. But I wish we were having a fight about the fact that this bill doubles the level of funding that was originally requested. I wish we were having a battle about the fact that this bill spends \$8.6 billion—twice as much as originally requested—for flood damage and for replenishment of money for Bosnia. I wish there were greater concerns about the fact that this bill will raise the deficit by \$6.6 billion. But that concern today, while it exists in the Senate, is certainly a minority view. I think it is important on these occasions to simply point out that we have done the right thing in helping our fellow Americans who have had terrible things happen to them that were beyond their control. But we have done the wrong thing by not paying for it, because in helping people that have suffered from a natural disaster, we are contributing once again to not only a man-made, but a Government-made disaster called the deficit. I simply want to predict that this problem is not going to go away and that we are going to be back here some day worrying about the deficit again, and that we might wish that we had not raised it by \$6.6 billion today.

I thank our distinguished chairman of the Appropriations Committee for giving me this time.

I yield the floor.

Mr. STEVENS. How much time remains?

The PRESIDING OFFICER. Sixteen minutes forty two seconds.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. STEVENS. Mr. President, this has been cleared with the Democratic leadership and our leadership. I ask unanimous consent that the vote on passage of the conference report accompanying H.R. 1469 occur at 6 p.m., as ordered, notwithstanding the fact that the Senate may not have received the official papers from the House by that time, and that when and if the Senate does receive those papers, the vote at 6 p.m. be considered as a vote on final passage of the conference report, provided that the papers received from the House are identical to the conference report filed in the House last evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I note that the distinguished Senator from Oklahoma is here. How much time remains?

The PRESIDING OFFICER. Fifteen minutes forty eight seconds.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senator from Oklahoma may speak within the balance of our time on a subject other than the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma is recognized.

(The remarks of Mr. INHOFE pertaining to the introduction of S. 842 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, is there any time remaining?

The PRESIDING OFFICER. There are 3 minutes and 17 seconds.

Mr. STEVENS. I yield that time.

The PRESIDING OFFICER. All time has been yielded.

The vote, pursuant to the previous order, will take place at 6 o'clock.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that it be in order

to ask for the yeas and nays on the vote at 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I ask unanimous consent that I be recognized to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### OUR TROOPS IN BOSNIA

Mr. INHOFE. Mr. President, I just wanted to share a few thoughts with you on something that came up this last week.

I was quite distressed when I heard that the President of the United States—the administration—suggesting that maybe our troops in Bosnia are going to be there for a longer period of time than the deadline having been established of June 30, 1998. This bothers me a great deal, for one reason in particular, and that is, I am chairman of the Readiness Subcommittee of the Senate Armed Services Committee. Back when the decision was made in 1995 to send troops to Bosnia, many of us felt this was not a good idea—not that we are not compassionate, but that we were using our very rare, precious resources, after this administration has decimated virtually our defense budget to send troops over to areas and endanger their lives where we have no national security interest at stake.

This is something that bothers quite a few of us. So we introduced back in November 1995 a resolution of disapproval to stop the President from sending troops over to Bosnia. This only lost by four votes, or we could have perhaps kept our troops from being sent over to Bosnia.

I was concerned about this because I went to Bosnia to see what our interests might be over there. When I went up to the northeast sector, the northeastern part of Bosnia, where it would be under the jurisdiction of the support of the United States for our station troops to be stationed, I got up there, and when I told the people up there that it was going to be 12 months, as the President promised, that our troops would be over there—this is November 1995, keep in mind—General Hoagland, in charge of the northeast

sector for the United Nations, made this statement. He started laughing. He said, "You mean 12 years, don't you?" I said, "No, 12 months. The President has promised that this is a 12-month operation, that if we deploy the troops to Bosnia, they would be back in 12 months."

So nobody really believed rationally that would happen. However, because of the President's promise that the troops would be back in 12 months, they were able to get enough votes to defeat our resolution of disapproval. And they sent the troops over to Bosnia.

Now we are in a position where we will do everything in our power to support the troops over in Bosnia. But at the time when he said they would all be back by December 1996, all of a sudden, as soon as the election was over, we find that the troops are going to be extended over there another 18 months, or until June 30 of 1998.

This is kind of a creeping thing that we go through, such as we experienced many years ago with our Marines in Guatemala. We have many other examples where we have gone in for a limited period of time. I can remember when we sent troops over to Somalia and they were going to be over there for a short period of time. And they stayed. It wasn't until 19 of our Rangers were murdered and their bodies dragged through the streets of Mogadishu that finally there was enough pressure to bring our troops back home.

I am very concerned now because, as I suspected would be the case, the President, who, again, has promised the second time that all the troops would be back home now by June 30, 1998, has started to renege on that. We can't let this happen.

The cost they talked about for the Bosnian operation initially was \$2 billion. It has now turned out to be closer to \$8 billion, as I predicted over 18 months ago it would be, and we are at least creeping up to \$6.5 billion.

Where does that money come from? We are going to be asked to vote for an emergency supplemental. That is to pay for the additional cost over there, along with other problems, other flood problems and emergencies that existed, and a few cats and dogs thrown into the bill. However, in this case, we have to spend the money.

Where does it come out of? It comes out of our defense budget, which is already strained to the point where we can't carry out the minimum expectations of the American people, and that is to defend America on two regional fronts.

So we have a second reason. Not only are we endangering the lives of our troops over there, but we are also spending money that should be going into building and rebuilding our Nation's defense system.

So, Mr. President, I want to get on record, as I did in Brussels when I gave the speech to NATO, that I would do

everything, with every fiber in my being, to make sure that the troops come back.

I would suggest this, however. I think the President is in the bully pulpit on this. I think he keeps continuing to want to leave them over there knowing full well that once the troops leave, it will go back to just like it was before. The Croats, Muslims, the Serbs, the Mujaheddin, the Arkan Tigers, the Black Swans—all of the other rogue forces—will be over there fighting as they were before. And then he can say, well, if we had left them their longer, that would not have happened. Recognizing that is going to happen regardless, I still say, Mr. President, we should all resolve to ourselves that our troops should come on the second deadline that we have standing. That is June 30, 1998.

I yield the floor.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1998—CONFERENCE REPORT

Mr. GRASSLEY. Mr. President, I submit a report of the committee on conference on the concurrent resolution (H. Con. Res. 84), establishing the congressional budget for the U.S. Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 84) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 4, 1997.)

Mr. GRASSLEY. Mr. President, I would like to bring to the attention of the Senate a typographical error contained in the statement of managers to accompany the conference report on the fiscal year 1998 budget resolution. During the course of the conference some language was worked out to include in the statement of managers with respect to the section 8 housing allowance—which is set out in section

203 of the conference report. This language was mistakenly included in the description of section 203 of the Senate amendment rather than in the description of section 203 of the conference agreement. The language at issue reads as follows:

The agreement creates an allowance of \$9.2 billion in budget authority with an associated, but unspecified, amount of outlays to be released by the Budget committees when the Appropriations committees report bills that provide for renewal of Section 8 housing assistance contracts that expire in 1998. The conference agreement assumes that the amount of the allowance to be released (estimated to be \$3.436 billion for outlays) will not be reduced to the extent that the appropriations and authorizing committees produce Section 8 savings that were proposed in the President's 1998 budget.

Mr. President, the conference report on the concurrent budget resolution of the budget for fiscal year 1998 now before the Senate, represents the first major legislative step—in what will be a number of steps—to implement the bipartisan budget agreement announced by President Clinton and the bipartisan congressional leadership almost exactly 1 month ago today.

As those in this Chamber will understand, but maybe not as obvious to those watching this debate, this conference agreement is the blueprint that will guide the building and enforce the adjustments to legislation throughout the summer. When the legislation is finished following this blueprint, and when it is sent to the President and signed, we will have built a house that is fiscally strong for the future.

So today's vote on this conference agreement should be identical to the 78 to 22 vote taken in this Chamber just before the Memorial Day recess. And that is as it should be, because the conference agreement is based on the Senate-passed budget resolution and the House-passed budget resolution which both followed the agreed on budget levels of the announced bipartisan budget agreement. In other words the aggregate numbers in the two Chambers' resolutions were almost identical, resulting in hardly any need for a conference.

In fact, it was initially felt that since both resolutions followed the agreement, there was not even a need or a conference. It was held by our joint leadership that merging the two resolutions—because of the normal differences in House and Senate committees of jurisdiction under the reconciliation instructions—that this could have been done by simply adopting a House amendment to the Senate amendment, a procedure clearly authorized under the Budget Act. However, this procedure would have put us in the posture of possibly having amendments to that House amendment, the leadership concluded we should expedite the process by simply having a conference meeting and avoiding possible amendments.

So on Tuesday afternoon when the House returned from the Memorial Day

recess, they appointed conferees and Tuesday evening the conference met. As I indicated, since the two resolutions were almost identical in the numbers, the only issues to conference were related to some procedural reserve fund mechanisms, and nonbinding sense-of-the-Senate, sense-of-the-House, and sense-of-the-Congress resolutions.

Yesterday these minor issue were resolved and last evening the conference agreement and accompanying statement of managers was filed. The House of Representatives just acted on the budget resolution conference agreement by a vote of 327 to 97, almost identical to the vote when it first passed the House on May 20. The House-passed budget resolution passed on a vote of 333 to 99. Today, nearly 90 percent of the House Republicans voted for his conference agreement, and almost two thirds of the House Democrats voted for it. Clearly this is a bipartisan budget agreement as reaffirmed in this vote today in the House.

And now the Senate is about to follow suit. If you voted for the Senate-passed budget resolution on May 23, then you have no reason not to vote for this conference agreement on June 5.

For the record, through it is probably unnecessary, I might remind the Senators and those watching what this blueprint for a balanced budget means. It means that when our fiscal house is finished following this blueprint, the Federal deficit, which would have topped \$150 billion in 2002 if nothing was done, will be balanced. And if the policies that get us to balance in 2002 are continued unchanged beyond 2002, we will reduce spending over the next 10 years almost \$1.1 trillion.

The blueprint for the balanced budget agreement before us this afternoon means that spending which would have grown at 4.4 percent annually over the next 5 years will now grow at slightly over 3 percent, about the rate of growth in the overall economy.

The blueprint for the balanced budget agreement means that the size of the Federal Government will decline. Federal spending which today represents 20.8 percent of the economy today, will decline to 18.9 percent in 2002.

The blueprint for the balanced budget agreement means that the Medicare part A program will remain solvent for nearly a decade and that the spending on all of Medicare that is now projected to grow at nearly 9 percent annually over the next five years, will be reduced to a more manageable growth rate of about 7.5 percent annually.

The blueprint for the balanced budget agreement means that Federal taxes will be reduced on hard working American families with children and on small business and farms. Taxes will be reduced by \$85 billion over the next 5 years, and if these tax cuts are extended over a 10-year period, total tax reductions not exceeding \$250 billion will be given to the American public.

We are going to let them keep their money. It is their money.

Finally, the blueprint does assume that some additional resources are needed for high priority Federal programs in education, environment, justice, transportation, children's health, work welfare reform, and some safety

net programs. But I would remind the blueprint critics that the some \$33.6 billion in additional resources spent on these priority programs represent less than 0.37 percent of the total \$9.0 trillion in total Federal spending we expect over the next 5 years.

This is a good blueprint. Like all blueprints, as the building actually begins in the committees of jurisdiction these next few weeks, it will require some adjustments in the actual building phase and from time to time, as has already begun, there will be disputes as to how to read the blueprint. In those cases, I am long with my ranking member and the bipartisan leadership will work with the committee chairman to insure that we are making a good faith effort to stick to the agreement. But today the design is clear and the builders can go to work.

In closing let me say that the passions of the Federal budget debate lie at the very essence of our free, democratic governmental system. The questions of the role of the Federal Government, how much of our national wealth should be spent on the public good and who should pay for it, are questions that date back to the beginning of this great republic.

In recent years, however, the obstacles to the Federal budget have been primarily a question of finding a working consensus between the executive and the Congress. Today we have a consensus on this issue. Of course, each of us alone might have designed the plan differently, but then we might not have had a consensus. Yes, I personally think we should have done more in entitlement spending programs that still threaten the foundation of this house we build today, but for today we must do what we can. And I ask you to vote as you did on May 23 and adopt this conference agreement. Then we will be one step further on the road to the future of restoring the American dream for the young people of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair.

Mr. President, I am pleased to join the manager of the Budget Committee in supporting the conference report on the budget resolution. Perhaps it is unnecessary to recall what constitutes this agreement, a consensus agreement. Consensus is a fairly simple word with very dramatic meaning. It is the majority view—not the unanimous view but the majority view—of the participants in an agreement in a debate.

And I want to just take a moment to remind everybody about the fact that this is a consensus agreement. Those who are looking for total victory are not going to find it here and those who are looking for total defeat are not going to find it here. A consensus view, the majority view is what we strove for. I am unhappy with some things, and I am sure my colleague on the other side of the aisle is also unhappy with some of these things. But we struck an agreement in good faith. We worked very hard. We worked hard to get it through the conference and we thought that we had a continuation of the understanding that was arrived at when we shook hands a few weeks ago

and presented the Senate side of the budget understanding, the budget resolution.

As I said in my first remarks, I fully support this agreement. That doesn't mean I support it enthusiastically, but it means that it has my commitment because we worked so hard and we got so many good things in this budget resolution. What I am concerned about—if there seems to be evident a note of reluctance or wariness in my comments, it is true. It is true because what I have heard already, and I have read in the papers, as it is said, is that there are those who want to reinterpret what it is that we agreed upon when we concluded this Senate budget resolution, what we agreed upon when we had the conference concluded; those who are saying, well, not this many immigrants are going to be taken care of; or not this proposal on containing the tax cut, \$250 billion over the 10-year period; or not making certain that the investments in the principal passenger railroad in this country are going to be made, as it was understood by me and others sitting there.

So I want to throw out that word of caution. This is, as I think everyone knows, nonamendable. It is a budget conference report. There is no room for amendment. There is no opportunity for amendment. The conference report before us is very similar to the budget resolution that the Senate approved on May 23, by a vote of 78 to 22. It provides a framework to get our fiscal house in order while protecting critical national priorities. Last fall, the American people spoke at polling booths. They elected a Democratic President and a majority of the Republicans in both Houses. Yet, despite this divided Government, they have been clear about what they want. They want the gridlock to end. They want the bickering to end. They want us to get to work. They want us to do the best we possibly can to get this house in fiscal order and get on with the business of our country.

At the same time, Americans asked that Washington focus on the issues that matter most to us: Education, Medicare, children's health, environment, fighting crime, and other Government responsibilities that make a difference in the way people live. I believe the conference report before us keeps our trust with the people. It is not, as I earlier said, a perfect agreement. It is not exactly as I would have written it. But I consider it an enormous step forward. It will, as we see it now, relieve future generations of having to continue to pay for borrowing that we have done or that we are doing now. But it is going to stop in 2002—that's my belief and that's the belief of those who negotiated in good faith to get this agreement done. It calls for the largest investment in education and training since the Johnson administration. It is phenomenal. It says we are going to put money into our children. We are going to prepare for the future. We are agreed on that. And with that, it combines tough fiscal discipline with a strong commitment to Medicare, environment, transportation, and other national priorities.

Throughout this process, President Clinton has insisted and I have agreed that an agreement that imposes real

fiscal discipline, that builds on President Clinton's tremendous successes in reducing the deficit, and balances the budget in a real, credible way, is the way we have to go. The President has insisted and I have insisted that we make education the priority that it is.

I strongly supported some amendments that were dropped in the process of discussion, like the Dodd amendment. I commend the distinguished Senator from Connecticut for his leadership. His was the amendment that said that we would not go beyond \$250 billion worth of tax cuts over the 10 years. A point of order could have been raised against any of the tax cuts in the bill and that point of order could have been waived only with the votes of 60 Senators. But it was dropped in the conference.

Instead, there is a commitment that says that \$250 billion over the next 10 years, \$85 billion in the first 5 years and \$165 billion in the second 5, is the most that can be had by way of tax cuts. There are letters supporting it. There are letters from the chairman of the Ways and Means Committee in the House, there is a letter from the chairman of the Finance Committee in the Senate, there are letters from the Speaker of the House, and there is a letter from the distinguished majority leader here, that confirms the position that we took. So, while there is some disappointment that the language that we originally anticipated would be in there is not part of the record, but it is indirectly recognized. It is there.

I ask unanimous consent that a copy of letters from the Speaker and Senate majority leader and the letter from Senator ROTH and Congressman ARCHER be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,  
Washington, DC, May 15, 1997.

Hon. WILLIAM J. CLINTON,  
President of the United States,  
Washington, DC.

DEAR MR. PRESIDENT: We would like to take this opportunity to confirm important aspects of the Balanced Budget Agreement. It was agreed that the net tax cut shall be \$85 billion through 2002 and not more than \$250 billion through 2007. We believe these levels provide enough room for important reforms, including broad-based permanent capital gains tax reductions, significant death tax relief, \$500 per child tax credit, and expansion of IRAs.

In the course of drafting the legislation to implement the balanced budget plan, there are some additional areas that we want to be sure the committees of jurisdiction consider. Specifically, it was agreed that the package must include tax relief of roughly \$35 billion over five years for post-secondary education, including a deduction and a tax credit. We believe this package should be consistent with the objectives put forward in the HOPE scholarship and tuition tax proposals contained in the Administration's FY 1998 budget to assist middle-class parents.

Additionally, the House and Senate Leadership will seek to include various proposals in the Administration's FY 1998 budget (e.g., the welfare-to-work tax credit, capital gains

tax relief for home sales, the Administration's EZ/EC proposals, brownfields legislation, FSC software, and tax incentives designed to spur economic growth in the District of Columbia), as well as various pending congressional tax proposals.

In this context, it should be noted that the tax-writing committees will be required to balance the interests and desires of many parties in crafting tax legislation within the context of the net tax reduction goals which have been adopted, while at the same time protecting the interests of taxpayers generally.

We stand to work with you toward these ends. Thank you very much for your cooperation.

Sincerely,

NEWT GINGRICH,  
Speaker.

TRENT LOTT,  
Senate Majority Leader.

CONGRESS OF THE UNITED STATES,  
Washington, DC, May 15, 1997.

MR. ERSKINE BOWLES,  
Chief of Staff to the President,  
Washington, DC.

DEAR MR. BOWLES: We are writing to express our desire for continued cooperation between Congressional staff and the staff of the various Administration agencies during the development of the current budget agreement.

Much of the most difficult work in connection with the budget agreement will involve the development of the revenue provisions that will satisfy the parameters of the agreement. Historically, the staff of the Joint Committee on Taxation has provided technical legal and quantitative support to the House and Senate. The Budget Act requires the use of Joint Committee on Taxation revenue estimates. Ken Kies and his staff are committed to facilitating our work on the tax provisions of this budget agreement. You can be assured that they will cooperate with Administration counterparts in receiving Administration input as they carry out their statutory responsibilities.

The revenue estimating staffs of the Joint Committee on Taxation and the Office of Tax Analysis at Treasury have a long history of cooperation and communication among analysts. It is our understanding that steps have already been taken to insure that the cooperative efforts of these two staffs will be intensified during the current budget process. It is also our understanding that the professional staffs at the Office of Tax Analysis at Treasury and the Joint Committee on Taxation will consult and share information necessary to understand fully the basis of their revenue estimates and to minimize revenue estimating differences. The proposal shall not cause costs to explode in the out-years.

Now that we have agreed upon the overall parameters of this significant agreement, an inordinate number of details concerning specific provisions must be drafted and analyzed by the JCT and the committee of jurisdiction. We look forward to working with the Administration.

Sincerely,

NEWT GINGRICH,  
Speaker.

TRENT LOTT,  
Senate Majority Leader.

CONGRESS OF THE UNITED STATES,  
Washington, DC, June 4, 1997.

Hon. PETE V. DOMENICI,  
Chairman, Senate Budget Committee,  
Washington, DC.

Hon. JOHN R. KASICH,  
Chairman, House Budget Committee,  
Washington, DC.

DEAR PETE AND JOHN: Our Committee will soon begin marking up tax legislation to meet the reconciliation directives of the 1998 Budget Resolution. We will meet the Resolution's instructions of reducing revenues by \$85 billion over the five year period 1998-2002 and by no more than \$20.5 billion in 2002.

Furthermore, we can assure you that, consistent with the May 15, 1997 letter from the Speaker of the House and the Majority Leader of the Senate to the President which stated, "It was agreed that the net tax cut shall be \$85 billion through 2002 and not more than \$250 billion through 2007," the ten year net revenue loss in the tax reconciliation bill will not exceed \$250 billion.

Sincerely,

WILLIAM V. ROTH,  
Chairman, Finance  
Committee.

BILL ARCHER,  
Chairman, Ways and  
Means Committee.

Mr. LAUTENBERG. I note also that this resolution does include the sense of the Congress resolution that again reaffirms that \$250 billion 10-year tax limit on tax cuts is clarified, in a way. I just want to remind everybody what it says here:

The 10-year cost of the tax reconciliation bill resulting from this resolution shall not exceed \$250 billion and any revenue loss shall be certified by the Joint Committee on Taxation in consultation and cooperation with the Office of the Tax Analysis of the Department of the Treasury.

To make the point by continuing to emphasize it, I don't think anyone should have any doubts that the tax cuts in the reconciliation will be limited. We are not going to suffer a repeat of exploding deficits that flowed from the disastrous policies of the Reagan era. We will not go down that road again.

So as we wrap up our work on this budget resolution, I congratulate the President for his leadership in this effort. We are here today on a bipartisan basis, only because the President decided to lead the effort to make it happen. He deserves enormous credit for it. When we look back at the results of the legislation that the President wanted to put forward some years ago, in 1993, and we see the incredible results, we see reports by a publication like Fortune magazine saying this is one of the greatest economies that this country has ever had, you can sense the strength of the economy, you can sense the confidence that the people have in their ability to take care of their families and to provide, hopefully, with the programs that we are outlining here today, education for their children in the future, security for the aged, to make sure that these investments will produce job opportunities and a better quality of life for all our people. That is what we want to see.

So, I yield the floor and I say to my colleagues, even if there is some disagreement, even if there is some question, I hope we will get the fullest support that we can obtain for this agreement. It does, once again, put the fiscal house in order. It maintains the important priorities that we all, I think it is fair to say, would like to see.

I am sure if I talk to my colleague to my right here, if we talk about education for our children, he will say we want to invest in education for our children.

Mr. GRASSLEY. I will.

Mr. LAUTENBERG. We want to have Medicare more secure. Our approaches might be slightly different, but the fact is we want the same objective.

So, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Iowa is recognized.

Mr. GRASSLEY. Madam President, I would like to have my fellow manager enter into a unanimous-consent agreement, if we could, so every Member can plan on when we would be able to speak; that we would do what we traditionally do, to have one Republican and one Democrat, then back to the Republican, back to the Democrat, to yield for speeches in that way?

Mr. WELLSTONE. Will the Senator yield for a question? In the unanimous-consent agreement, which I think makes all the sense in the world, will the Senator be kind enough in the rotation, since we have Senator FAIRCLOTH here and Senator HOLLINGS, and I am pleased to follow Senator HOLLINGS, could we be listed in order right now, since we are here?

Mr. GRASSLEY. And then, beyond that, it will be one Republican and one Democrat—I would agree to that.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRASSLEY. OK. I think it was understood we would yield now to Senator FAIRCLOTH. I yield to Senator FAIRCLOTH such time as he might use.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. FAIRCLOTH. Madam President, I take the floor to rise to discuss a serious issue, and my concern is this. The ink isn't even dry on this budget agreement and I have heard nothing, yesterday and today, but rumors that there are plans to change radically and have a major tax increase put into this agreement. Specifically, there is much talk, and it is far beyond rumor, of increasing the tobacco tax from 21 cents to 50 cents per pack, which would raise \$15 to \$30 billion a year.

The problem is, of course, the tax cut in the budget plan is too small. But that is not news to anybody; it was always too small. The Republicans wanted to cut taxes by \$188 billion. We now have a net tax cut of \$50 billion, and that is to cover several initiatives such as capital gains, estate tax, and child

credit. As I view choices, we should live by the budget agreement we passed in the Senate, and the one we want to pass. Now, if we can't do that, if there is some reason we cannot do that—and we want to cut taxes further, which I agree to—then there is a simple choice that it would be a wonderful thing if this body could learn—to cut spending, to spend less money. That is a wonderful alternative that we need to know about. Not every time we are short of money, raise taxes.

If there is intent on the part of some of those who are having this discussion to change the budget agreement, I wonder why we are even having a budget resolution. What else are we going to change? Are we going to expand the deficit? Are we going to expand spending? Apparently we are. Is a deal not a deal? We either agree not to raise taxes any farther or we do not agree, and it looks like we do not agree. But I think it is an outrage that it is even under consideration at this point in the negotiations.

When I came to the Senate I said I would never vote for a tax increase. I never have and I never will. We have plenty of money. We are spending it in too many places.

We do not need a tax increase. Taxes are already too high. The average American works until mid-May to pay his or her taxes now. One-third of the money the average citizen earns goes to pay taxes. A tax increase of any kind is the last thing the working men and women of this country need now. What they truly need is a tax cut.

But we say we are going after the tobacco industry, which really doesn't count, but when we drive the tobacco industry into bankruptcy, what product do we want to attack next? To each Senator, what product from your State will we decide to drive into bankruptcy? This is a Government that has an insatiable appetite for tax money—money of any kind, borrowed, taxes, there is never enough.

The net tax cut in the budget resolution is only 1 percent of revenues over the next 5 years, a pretty minuscule amount. It is hardly a windfall. Yet, here we are before we even get the resolution passed and we are considering raising taxes.

Again, I have to ask, what is the budget agreement for? Why do we even call it an agreement, if we fully intend to come back and rewrite it in the Finance Committee? Why debate it and argue over it on this floor when the real decision is going to be made in the Finance Committee? It is a waste of our time.

The agreement is not worth the paper it is written on if we are going to haul it over into the Finance Committee and they are going to make the decision.

Madam President, I can give every assurance that if the Finance Committee intends to raise taxes beyond what is called for in the budget resolution, passing this bill is going to be ex-

tremely difficult. I will say now, we are heading into dangerous territory in raising taxes. There is not support for it, even if it is on tobacco. This isn't a case of reading anybody's lips. We don't have to read lips. We can read the budget resolution. We don't need new taxes. I will forcefully oppose any kind of effort to increase them. Frankly, given that this is going on and has been for 2 days, I think the Senate is wasting its time on a budget resolution that will be rendered meaningless within a week.

I thank you, Madam President, and I yield back any time I might have remaining.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Madam President, let me talk to a very, very important point other than taxes and the increase thereof.

What we have is the jargon of "I'm against taxes, I'm against taxes, I'm against taxes," but now we have reached the point where we are increasing spending, because we are not paying our bills. We are increasing spending by \$1 billion a day. That is the interest cost on the national debt.

When Reaganomics commenced in 1981, the interest costs on the national debt were \$74.8 billion. We had less than \$1 trillion debt, and the interest cost was only \$74.8 billion. So looking at it in a historical sense, for 200 years of our history, with the cost of all the wars, we had never reached a \$1 trillion debt. We had paid for the Revolution, right on up through World War I, World War II, Korea, Vietnam, and yet, in the last 16 years, without the cost of a war, we have jumped to a \$5.4 trillion debt. And it is all because you wouldn't pay the bill. You were against taxes, and you were against paying the bill. It is wonderful to go home with that sing-song and continue.

I have a chart right here to show exactly what I am talking about. There is the \$74.8 billion in interest costs at the time of President Reagan. This has all the Presidents since Truman, the actual deficits, the actual debt and thereby the forced interest costs, which I call interest taxes. You know, they say death and taxes can't be avoided; neither can interest costs on the national debt. So beware of the colleague who comes and says, "I am against taxes, and I'm never going to vote for taxes," like this is a luxury we all can afford. I would love that. I can just come here and join in the spending. We would never have any taxes and we would all get reelected, but the country would go broke because you have to pay, as this debt goes through the ceiling, the interest cost.

It is now, as shown here by the CBO figures, at 359 billion, and this chart is somewhat outdated by several weeks. Its actually higher now. Still, there is no question it is \$1 billion a day we are spending for nothing. I know my distinguished colleague from North Carolina is interested in highways. So is the

Senator from South Carolina. This \$1 billion doesn't pay for a single road or a single bridge. It doesn't engage us in any research. It helps us not with health research at the National Institutes of Health. It doesn't pay for defense. It doesn't give foreign aid. It doesn't do anything but represent waste, and we are determined to continue this waste.

Let me get right to the point about this particular budget resolution because, Madam President, I say advisedly, if there ever was a fraud, this particular budget resolution is a fraud. I say that advisedly to my colleagues in the Senate. The distinguished Senator from Iowa gets up and says, "This is bipartisan, this is bipartisan, and it just passed the House with 350 votes." Then our distinguished ranking member on this side of the aisle on the Budget Committee said, "This is consensus, we had to get together, we got a consensus," and thereby is the sizzle that is supposed to sell this steak when the truth of the matter is it is one piece of meat that is an outrageous fraud.

Let's go to the partisan resolution that we passed in 1993. If you want to see frauds, it is when they get together. When they don't get together, you are getting nearer the truth in budgeting. Back in 1993, Madam President, we cut some 250,000 Federal employees off the payroll. We came in and we created savings, spending cuts of \$500 billion, and, yes, we increased taxes. We taxed beer, we taxed gasoline and, yes, we taxed Social Security.

I can see my colleague on the other side of the aisle talking about that Social Security tax increase that the Senator from South Carolina voted for and, pointing over to this side, the distinguished Senator said, "Ah, they will be hunting you down like dogs in the street and shooting you." The chairman of the Finance Committee was willing to bet everything on it. He said he would bet his home and everything else. Of course, the poor gentleman is not here anymore, but he was going to bet it all.

Another distinguished Senator said, "Wait a minute, these tax increases, they'll take the money and spend it, it won't be allocated to the deficit." And they went down the list deriding, if you please, the partisan budget of 1993, that budget plan.

What has it given us, without a single Republican vote? The partisan budget is what I want to talk about. This morning, I was listening to early morning TV. I turned on CNN at 6 o'clock, a little before 6, and they had the chief economist for Bear Stearns, and he said this economy is the strongest that he had ever experienced in 24 years. We have the lowest unemployment in those 24 years. We've got inflation down to its lowest point in 35 years. We have created 12.1 million jobs. Business investment is up to the highest point since World War II. The stock market has doubled and, ah, deficits, Madam President, deficits, the deficits for the first time are really starting to increase. I was with Presi-

dent Johnson here in the Senate when we balanced the budget back in 1968 and 1969. Since that time, deficits have been going up, up, and away; the national debt is up, up, up, and away; interest cost spending for nothing is up, up, up and away. But, Madam President, under President Clinton's plan of 1993, deficits have been declining each year, every year, for 5 years.

Heavens above, what does this instrument do? I hold in my hand the conference report. On page 4, I looked for the word balance. Instead, you see the word deficit. If you want to know what the actual deficit is, all you need do is go to the public debt. For fiscal year 2001, it is \$6,307,300,000,000. For fiscal year 2002, instead of balance, it goes up to \$6,481,200,000,000. So the actual deficit is \$173,900,000,000. Here is the figure, here is the document, here is the truth. And while the Senator from South Carolina cries fraud, we have this so-called bipartisan consensus, where we say "I'll take your tax cuts if you take my spending increases and we'll all run around on the floor of the Congress hollering balance, balance, balance." Everywhere man cries balance, but as for me, give me balance or give me staying the course. I wanted staying the course, but here is what they did instead.

I hope they get ashes in their mouths, that media crowd, when they say "balance," "the balanced budget plan," "the balanced budget resolution that passed," "the balanced budget." It is time we stop lying to the American people and tell the truth and show the page. I dare them to refute it. I have the document right here right now.

So what has happened? Instead of staying the course, Madam President, we have gone off the wagon.

President Clinton put us on the wagon. We stopped drinking that old deficit whiskey, but now we are taking the bottle back up and we are going to start drinking again. And we are going to get drunk on the wonderful balance—balance, 200-proof—excuse me, \$173,900,000,000-proof. That is what we have to drink here this afternoon.

And how do they do it? It is similar to another time, back in 1990, when I was on the Budget Committee trying to hold the line on Gramm-Rudman-Hollings, with the automatic spending triggers across the board. They abolished them at 1:45 a.m., October 21, early in the morning. And I raised a point of order. They voted me down. That is when I asked for a divorce from Gramm-Rudman-Hollings. It was supposed to be a solid boost toward fiscal responsibility, not a shield they started hiding behind.

But, again, what they do is take unrealistic savings or spending cuts. We have it over in the Commerce Committee. I talked to the distinguished chairman this morning. You are not going to find \$26 billion in spectrum auctions.

What we did back in 1990 was to revise the economics. We did the same thing again this year. What we did here is, we found \$225 billion the day before

they made the agreement. That was convenient, wasn't it? They found \$225 billion.

And they came again with backloading, just as they did in 1990. I looked at this particular instrument here, the 1997 conference report, and saw that 72 percent of the spending cuts occur in the last 2 years. They backload it. Unrealistic—not going to happen.

But worst of all, they go again and start looting the trust funds of America—looting the trust funds, the pension funds, to the extent where we now owe, in 1997, \$1.484 trillion. Under this particular resolution, by the year 2002, we will owe just under \$2 trillion—\$1.992 trillion.

Now, here is how they do it. They use Social Security moneys. They use the military retirees' money, civilian retirees' pension funds, the unemployment compensation moneys, the highway trust funds—and we are not building highways—and the airport moneys. That is scandalous.

Right to the point, Madam President, they are going to continue the tax increases that the Senator from North Carolina talks about. They will continue the airport and airways tax on passenger taxes that we pay as airline travelers. But that is not going to airlines. That is going to give you an inheritance tax cut or capital gains tax cut. That is outrageous, scandalous. That is a breach of trust.

If you want to talk about a breach of trust, I was reading Bob Reich's book. Former Secretary of Labor, Secretary Reich, said, "I'm proud of two things: One, during my 4-year tenure I got a minimum wage; and the second thing, I passed the Pension Reform Act of 1994."

And what did that provide? All of us in the Congress said, "Corporate America, you have got to fully fund your pensions so the employees can count on it. You can't use it, you can't raid those trust funds, those pension funds."

Madam President, guess what? Just 3 weeks ago, Denny McLain, the all-star championship pitcher for the Detroit Tigers, was sentenced to 8 years in prison because, as head of a corporation, he used the pension funds to pay a corporate debt.

Here we are using trust funds to pay the Government debt. In private, outside-the-beltway America, you get a prison sentence for this. Here in the wonderful Congress, heavens above, you get the "Good Government Award," you get consensus, you get bipartisanship, you get one grand fraud. It is time we stopped lying to the American people.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Minnesota is recognized under the previous agreement.



Mr. WELLSTONE. Mr. President, I see my colleague from Alaska. I say, I will try to stay under 10 so he will have time to speak. We had an agreement, those of us here earlier, if that would be OK. I will try to be quite brief, because we have been through a tremendous amount of this debate.

Mr. President, first of all, let me just say that I appreciate the work of my colleagues. I know that my friend from New Jersey is committed to many of the same issues that I am. Whatever he does, he does in good faith. I think this budget agreement is a profound mistake. I have said I think it is a budget without a soul. I believe that very honestly and truthfully.

I worry about so much of these cuts in capital gains and estate taxes going to the very top of the population, those that really do not need any assistance. Mr. President, really, I hate the tradeoff. I think it is a budget without a soul. And I think it is a profound mistake as a blueprint for our country for the following reasons.

First, let me just start with the justice, just by raising the question of simple justice. In the last Congress, all in the name of deficit reduction, in the welfare bill we made huge cuts. Almost all of the cuts we made were targeted to low-income people. We made cuts totalling about \$26 billion in food nutrition programs, food stamp programs. We do not restore any of that by way of a blueprint in this budget agreement. Then we made cuts in benefits for legal immigrants.

Now, my colleague from New Jersey expressed some of his dismay about what is going on in the House side, in the House Ways and Means Committee. And I am quite in agreement with him. But I also just want to say I guess it is how you look at what is progress.

The fact we restored some benefits for legal immigrants who are elderly and disabled, that is a good thing. And the fact that we restored some benefits for children, that is a good thing. But the fact of the matter is, if you are elderly, if you are 80 years old and you are not disabled, you are just old and poor, you are elderly and poor, your benefits were not restored in the budget agreement. I do not think that is enough.

The fact of the matter is, for children who need food nutrition help or for elderly people, there was no restoration of funding for food nutrition programs. I do not think that is enough. Just as a matter of elementary fairness, we should have done much better.

Mr. President, my colleagues have talked about our priorities. I guess I will be honest. I really understand that everybody votes in good conscience—and I know this budget agreement is going to get a good vote—but to have tax cuts, and I think my colleague from South Carolina is on the mark, to backload it, and with enormous revenue loss, the vast majority of the benefits going to those people who least need it, and what is the tradeoff? The

tradeoff is what is unacceptable. This is a budget without a soul.

Mr. President, we had an amendment that would have at least restored the \$5 billion in investment in dilapidated school infrastructure. It was voted down. Why are we doing tax cuts for wealthy people and we are unwilling to invest in rebuilding our schools?

Mr. President, I had an opportunity to go to Delta, MS. I visited a school. There is going to be some renovation now, but the ceiling was just practically caving in. The toilets were so decrepit, no child should ever have to go into a bathroom like this. You could not wash your hands after going to the bathroom because there was no running water in the sink.

Now, that is not just in the South. These schools exist in the North and the Midwest and the West. These are the schools that too many of our children go to every day. And we did not invest one penny in rebuilding these schools for America's children, for some of the poorest children in America. I just think that this is unacceptable. And I think that this budget is a budget without a soul.

Mr. President, we have talked so much about early childhood development, and we have been reading all these reports, all the neuroscience evidence. It is so compelling. The evidence is irreducible and irrefutable that if we do not invest in the nutrition—and I could talk about each one of these areas at great length—if we do not invest in the health care, if we do not invest in really good child care, really good child care, if we do not get it right for these children, that by age 3 they are not going to be ready for school and they will never be ready for life.

Mr. President, with all due respect, what are we doing with cuts in capital gains and estate taxes, disproportionately going to the very top of the population, not even targeting that, and at the same time we make a pittance—I am sorry—a pittance of investment when it comes to the most critical years that affect whether children are going to do well in education, and those are in the very early years?

We have White House conferences that talk about the development of the brain. We have speeches that are given. And yet, when it comes to where the rubber meets the road, when it comes to what are our priorities, we have a budget agreement here that does not make the investment in these children, does not make the investment in early childhood development, barely scratches the surface. It is not even a baby step.

How much longer are these children going to have to wait? Everybody keeps talking about how we have to balance the budget for the sake of our children, our children's future. How about these children right now? And let us go ahead and balance the budget. But, first of all, why do we have these tax cuts that go to some of our

wealthiest citizens? Why are we backloading it? Why are we eroding our revenue base? Why are we building here a straitjacket which will prevent us from making any of these investments in rebuilding rotting schools, in health and nutrition and child care for children at a very early age?

This is a budget without a soul. I think this budget as a blueprint for our country is a profound mistake. It is a profound mistake for America.

Mr. President, one final point because I promised to be brief. I could go on and on, but I have spoken on these issues before.

There was a cut in this budget—and really, it was not very well publicized—in veterans health care, \$2.3 or \$2.7 billion. I just want to make it very clear to my colleagues that when we got briefings from the White House—and everywhere else nobody talked about this. We had a flat-line budget we were worried about, but \$2.3 or \$2.7 billion—a couple different figures are out there—over the next 5 years in veterans health care.

Dr. Ken Kizer, who runs those health care programs, was out in Minnesota. He did not know about it. I do not think Secretary Jesse Brown knows about it. And I will tell you something, the veterans organizations, all of the organizations I know that I have had the honor of working with, are really indignant about this. They are angry not only about the substance of it, but also the manner in which it was done. So I will have an amendment and I certainly hope my colleagues will join me to restore that funding for veterans health care. I think it is critically important.

Mr. President, let me conclude. I do not understand why we have accepted this tradeoff of tax cuts disproportionately benefiting the people on the top, not even targeting them to middle income or small businesses, and at the same time not investing in rebuilding our schools, not investing in early childhood development, not investing in making sure that every child has a head start, not investing adequately in veterans health care.

I just think that this tradeoff is unacceptable. Yes, let us have an agreement. But what is the price? The price of this agreement is that we have, as a Senate, I think—I know some colleagues disagree with me, I know many do, I know most do—I think we have abandoned a principle that has been so important to our country. I think it has been a principle which, in many ways, has led to our resilience as a nation.

It is a principle that has to do with the very meaning of our Nation, it is the principle of justice, it is the principle of expanding opportunities for our citizens, and it is that American dream that every child—no matter color of skin, no matter income, no matter boy or girl, no matter urban or rural,—that every child will have the same chance to reach his or her full potential. We have not met that standard in

this budget agreement. We are nowhere near that standard. That is why, again, I will vote no.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I want to begin by commending our colleagues from New Mexico and from New Jersey, Senator DOMENICI and Senator LAUTENBERG, for their herculean efforts on this budget process. This is a very difficult task.

I had—I say guardedly—the privilege of serving on the Budget Committee for a number of years, and it is more of a sentence than a duty in many ways, considering the laborious task day in and day out of going through the number-crunching process. I feel a special sense of appreciation for the work of those who serve on the committee, and for those who lead the committee in the case of the chairman and the ranking Democratic member.

I would like to take a few moments if I could to discuss just one aspect of this budget resolution, one that has already been addressed by Senator LAUTENBERG, the ranking Democratic member of the committee. It is a provision that started out as a rather innocuous suggestion that was adopted unanimously by this body as part of the budget resolution and then became the source, Mr. President, of some controversy over the last several days. But the issue has been resolved, due to the efforts of Senator LAUTENBERG, Senator DOMENICI and others, to the satisfaction of everyone, including the author of the original provision, and that is myself.

The budget agreement, as we all know, was reached by the President and the Congress and includes a number of provisions designed to protect the priorities that Americans care about while ensuring that the budget would reach balance in the year 2002 and thereafter.

One of the stipulations of the budget agreement specified that the cost of the tax cuts would be a net \$85 billion over 5 years and a net \$250 billion, one-quarter of a trillion dollars, over 10 years. There was a letter, in fact, signed by the majority leader of the Senate, Mr. LOTT, and the Speaker of the House, Speaker GINGRICH, and sent to the President. I quote it here: "It was agreed that the net tax cut shall be \$85 billion through the year 2002 and not more than \$250 billion through the year 2007."

As I say, this letter was signed by both leaders. I was surprised, however, Mr. President, when the budget resolution came to the floor more than 2 weeks ago with no mention whatever of the cost of the tax cuts over 10 years. The resolution fulfilled the first part of the agreement by instructing the tax-writing committees to craft legislation that would cost no more than \$85 billion over the first five years. But when it came to the understanding on the \$250 billion, that had been left out of the resolution, entirely. That is a large

amount indeed, a quarter of a trillion dollars.

Mr. President, in my view, again, I think this budget resolution is a good resolution. I offered amendments to shift some of the priorities here. I lost in that effort. I wish we had done more in the area of early childhood development, Healthy Start, Head Start, child care. I will still make those arguments from time to time. But there are improvements clearly in many important areas of this budget.

Even though I disagreed in part with it, I think it is a good resolution. But the provisions on tax cuts left me with a great deal of concern because you could write the tax cut part of this budget resolution, much of which I agree with, in such a way that for the first 5 years the revenue losses would be limited to \$85 billion. But we all know how to write these in such a way that the second 5 years they could blow totally out of proportion and we end up where we were in the mid-1980s, again looking at a huge deficit. I might add that even with my language, there is no guarantee that that will not happen after 10 years. But at least over the first 10 years with the agreement we have reached here, we are left with an assurance that that is not going to happen in the short term, and future Congresses will have an opportunity to examine how these tax cuts are working.

So this new language that will be included in the agreement, I think, will be a major step forward.

I should tell my colleagues what happened procedurally. My amendment to put in place a cap of \$250 billion over 10 years was accepted on a voice vote. The distinguished Senator from New Mexico and my colleague from New Jersey agreed with the amendment. It was adopted. In fact, Senator LAUTENBERG enthusiastically supported the amendment. It ended up in conference, but there was no similar language in the House version. But then JOHN SPRATT, the distinguished Congressman from South Carolina, went to the floor on the House side and instructed the House conferees that my amendment should be adopted. To the credit of many of the Republican Members of the House, as well as Democrats, they agreed with JOHN SPRATT. So he carried overwhelmingly in a House vote to accept my amendment.

So we were left with a situation where the House instructed conferees to take the amendment that had been accepted on a voice vote here, but for reasons that I will allow them to explain, the majority decided on our side that they could not continue to hold this amendment. Instead, they offered a compromise. That was a sense-of-the-Congress resolution that would limit the tax cut to \$250 billion over 10 years, and require that the Joint Tax Committee and others would certify that we had not broken that ceiling of \$250 billion over 10 years. In addition, a letter has been signed by our colleagues

Senator ROTH, the chair of the Finance Committee, and Congressman ARCHER, chairman of the Ways and Means committee. Mr. President, I ask unanimous consent that the Roth and Archer letter be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,

Washington, DC, June 4, 1997.

Hon. PETE V. DOMENICI,

Chairman, Senate Budget Committee, Washington, DC.

Hon. JOHN R. KASICH,

Chairman, House Budget Committee, Washington, DC.

DEAR PETE AND JOHN: Our Committees will soon begin marking up tax legislation to meet the reconciliation directives of the 1998 Budget Resolution. We will meet the Resolution's instructions of reducing revenues by \$85 billion over the five year period 1998-2002 and by no more than \$20.5 billion in 2002.

Furthermore, we can assure you that, consistent with the May 15, 1997 letter from the Speaker of the House and the Majority Leader of the Senate to the President which stated, "It was agreed that the net tax cut shall be \$85 billion through 2002 and not more than \$250 billion through 2007," the ten year net revenue loss in the tax reconciliation bill will not exceed \$250 billion.

Sincerely,

WILLIAM V. ROTH,  
Chairman, Finance  
Committee.

BILL ARCHER,  
Chairman, Ways and  
Means Committee.

Mr. DODD. Let me read from that letter:

Furthermore, we can assure you that, consistent with the May 15, 1997 letter from the Speaker of the House and the Majority Leader of the Senate to the President which stated, "It was agreed that the net tax cut shall be \$85 billion through 2002 and not more than \$250 billion through 2007," the 10-year net revenue loss will not exceed \$250 billion.

This language confirms the agreement made by the President, the Senate, and the Congress, as well as the sense-of-the-Congress resolution and the certification.

Some may argue you have given up, it is not exactly law. I do not see it that way. I am satisfied people have made their commitments, and those commitments have been confirmed. This letter has been signed by the two chairs of the committee, and that ought to be satisfactory enough for people that we mean what we say in these resolutions. What good is it going to be to have a budget in balance by the year 2002 that goes immediately out of balance in 2003 because we did not keep an eye on the tax expenditure side of this equation?

So, with this new language that Senator LAUTENBERG and Senator DOMENICI worked on here, I am very satisfied this is a good resolution. I believe that those of us who have been concerned that this resolution, while balanced in the initial stages, could end up out of balance very quickly, have seen our concerns eased by this progress.

So I want to thank once again the leadership of Senator LAUTENBERG,

Senator DOMENICI, Senator ROTH and Congressman ARCHER, as well as Congressman SPRATT, for their work in this regard, and lastly just point out, Mr. President, I know that there are legitimate issues that have been raised by those who say, "Well, what happens in the second 10 years? You can craft the tax expenditure provisions so they could end up pushing us out of balance in the second 10 years." I cannot argue with that. That could happen. We will have to look at it very closely. Obviously, the economy could change dramatically in 10 years. We may have to come back and revisit parts of this.

So there are no reassurances for the second 10 and there are those who will lay out for you scenarios that show there is significant ballooning, if you will, of those tax cuts in the second 10 years. We may have to come back and revisit that. But by putting in the net cap of \$250 billion over the next 10 years, I think we have done a great deal to avoid the kind of problem that occurred in the early 1980's when no such caps were put in place and we saw as a result of the 1981 tax program a major deficit created in this country.

I voted against that 16 years ago. I am glad I did. I think I was proven correct by what happened. I think we have avoided any likelihood of that occurring, certainly in the short run, here, and we will have plenty of opportunities in the Congress to respond if for whatever reason that begins to happen later on.

I thank the leadership and my colleague from New Mexico and the Senator from New Jersey for this agreement and look forward to supporting the resolution.

Mr. COCHRAN. Mr. President, the Budget Resolution assumes reductions in spending of \$290 billion over the next 5 years. To accomplish this goal we, of course, must adopt changes in federal programs.

The Governmental Affairs Committee has received reconciliation instructions requiring \$4.8 billion in savings over a 5-year period be obtained from programs under our committee's jurisdiction. Most of this committee's programs involve Federal employees and retirees.

In March, the President sent his budget proposal to Congress in which he recommended \$6.5 billion in savings from Federal employee and retiree benefit programs. Included in the President's proposal was \$1.7 billion to be saved by delaying annual cost-of-living adjustments for Federal retirees. As chairman of the Subcommittee with jurisdiction over this subject I opposed that proposal, and so did the chairman of the full Committee, Senator FRED THOMPSON.

The President's Federal employee-related proposal had four basic components:

First, the President proposed delaying the receipt of civilian Federal retiree cost-of-living adjustments from January until April through the year

2002, which would have cost the typical Federal retiree \$726 over the next 5 years.

I thought the proposal was unfair since it singled out Federal civilian retirees for this change. No other group of retirees was treated this way.

Most Federal retirees are not wealthy people. Most are like other Americans who have retired from private sector jobs and are just barely making ends meet. The average yearly income for a Federal retiree—after taxes and out-of-pocket costs of health care and life insurance premiums—is \$14,864. This hardly allows for a comfortable lifestyle, considering the average Federal retiree faces annual living costs of \$22,098.

Our subcommittee opposed the singling out of Federal civilian retirees for a COLA delay, and this position was adopted by Governmental Affairs Committee Chairman THOMPSON in his Annual Views and Estimates report submitted to the Senate Budget Committee. I was very pleased that Budget Chairman DOMENICI agreed with us and not the President.

Second, the President's budget also assumed a savings starting in January 1999 be achieved by requiring employees to pay a greater share of their health care premiums.

Under current law, the Government pays, on average, 71 percent of the premiums of the health insurance plans in which Federal employees and retirees enroll. That calculation is based on 60 percent of the average premium of the Federal Employee Health Benefit Program's Big Six health insurance plans.

In 1990, Aetna—one of the Big Six high-option plans—dropped out of the Federal Employee Health Benefit Program. In order to prevent enrollees' share of the premium from rising, Congress enacted legislation establishing a proxy plan. The President's budget proposal allowed for the expiration of the proxy plan, thereby shifting approximately \$4 billion of health care premium costs from the Government to the employee over 5 years.

The Federal Employee Health Benefit Program, unlike Medicare, is not facing a fiscal crisis. In fact, it works so well, I believe we should use it as a model for future health care reform. However, I do not think the President's willingness to simply accept conversion to a Big Five-based formula by default, thereby lowering the government's share of the premium to about 67 percent, is equitable. Doing so would not only shift substantial costs to enrollees but it would allow for the continued use of an outdated formula. As subcommittee chairman, I intend to propose a new formula—possibly based on a weighted average of all plans—which will maintain the current rate of contributions to the FEHB plans by the government and its employees.

Regardless of any change in the FEHB formula, it is possible health insurance premiums will increase over the next year due to medical inflation

and federally mandated increases in basic coverage. Congress should not aggravate the situation by shifting an additional \$4 billion in costs onto enrollees.

Third, the President's budget plan also increased Federal agency contributions to the retirement fund for civil service retirement system employees by 1.51 percent beginning October 1, 1997 and ending September 30, 2002. Currently, agencies match employee contributions of approximately 7 percent.

Fourth, the President recommended an increase in Federal employee retirement contributions—0.25 percent of base pay in 1999, another 0.15 percent in 2000, and a final 0.10 percent in 2001—adding up to a total of 0.50 percent increase. The higher contribution rate would expire on December 31, 2002.

I believe the President's proposed Federal employee budget package goes far beyond fairness. President Clinton has advocated a disproportionate contribution by those who have been asked to give again and again over the past several years. Federal employees and retirees across the country know there is no justification for the President's proposed package of changes—and it does not serve the interest of fairness to the Federal workforce.

The Federal Government may be the largest employer in the Nation, but it is far from being a model employer. You might ask, what is the Federal Government offering its workforce in order to attract and retain qualified personnel who can respond to the challenges of providing efficient, effective service to the American people? Federal employees have witnessed the slow erosion of their pay and benefit package over the last several years.

Because of the requirements of the budget resolution some changes must be adopted. As we work toward the goal of achieving the \$4.8 billion in savings required of our committee, Federal employees will have to share the burden of deficit reduction, but they will not be singled out to accept burdens not imposed upon other Americans.

Without question, public employees play an important role in our society. The hope is that by offering a balanced and fair compensation package, we can continue to attract and retain a talented and skilled workforce to deliver federal services. The reconciliation package which I will work to develop will have that as a goal as well as deficit reduction.

Mr. DORGAN. Mr. President, I rise to discuss the conference report on the budget resolution and to say that I am pleased that this year is shaping up to be a historic year in the fight to balance the budget. Democrats and Republicans have worked together to fashion a bipartisan agreement that is projected to balance the unified budget in 5 years, in the year 2002.

I will support this budget plan because it will help maintain the superb

economy we are now enjoying. The budget plan will build on the 1993 deficit reduction bill, which has cut the unified budget deficit by 77 percent. The budget plan also makes room for priorities that are important to the American people, such as middle-class tax relief, greater funding for education, more attention to our environment, and health care for the young and the elderly.

We have been able to agree on a balanced, commonsense package—one that avoids extreme cuts to programs that Americans depend on and includes some tax cuts. This agreement is balanced because it builds on the economic gains that America has made since 1992.

#### THE BEST ECONOMY IN 30 YEARS

We need to remember how far we have come since 1992, when this country was in the depths of a recession. In the past 5 years, we have had so much economic growth and so little inflation that the experts are describing today's economy as the best in 30 years. Let me briefly describe some of these gains—gains that have made a budget agreement possible today.

Unemployment has fallen from 7.5 percent in 1992 to an annual rate of 4.9 percent. The last time unemployment was at 4.9 percent or less, it was 1973.

For the first 3 months of this year, inflation ran at an annual rate of 1.8 percent. The last time inflation was this low, it was 1965.

The economy has created 12.5 million jobs since President Clinton was first inaugurated.

There were nearly 1.5 million housing starts in 1996, the most since 1988.

The economy grew at an annualized rate of 5.6 percent in the first quarter of this year. This is truly a stunning rate of growth at this point in our economic recovery.

The economy has responded beautifully to the economic plan that Senate Democrats passed in 1993—without one Republican vote. The measure of our achievement is that today's economy is the best economy America has had in 30 years.

#### BUILDING ON DEMOCRATIC DEFICIT REDUCTION

However, the 1993 bill didn't just spark our economy into recovery. It also cut the unified deficit by 77 percent.

Let's recall when the real heavy lifting occurred with respect to deficit reduction. It was only Democrats who voted for President Clinton's deficit reduction bill in 1993. And what has that bill done to the deficit since? The unified deficit has fallen dramatically, from \$290 billion in 1992, to \$255 billion in 1993, to \$203 billion in 1994, to \$164 billion in 1995, and \$107 billion last year.

Most importantly, the Congressional Budget Office estimates that the deficit for 1997 will be only \$67 billion.

That's a cut of 77 percent in the unified deficit. Under President Clinton, for the first time since the Civil War, we will slash the deficit 5 years in a row.

Let's put it another way. The budget plan we are voting on today will provide \$204 billion in deficit reduction over the next 5 fiscal years. In contrast, the 1993 bill provided 5 times that amount of deficit reduction. If you compare the actual deficits for fiscal years 1994 to 1998 to what CBO in 1993 expected those deficits to be, you realize that the 1993 bill achieved \$922 billion in deficit reduction for the years 1994 to 1998.

Let's put it yet another way. If you calculate the improvements in the deficit from 1994 through 2002, you realize that the 1993 bill cut future deficits by \$2.4 trillion. Again, if we do get to a balanced budget in 2002, Democrats will have done the heavy lifting.

So there's some justice, Mr. President, in the fact that this balanced budget deal contains Democratic priorities and protects Democratic programs that Americans depend on. We today are standing on the shoulders of the Democratic Members of Congress who voted to cut the deficit in 1993.

#### BUDGET PLAN PROTECTS AMERICA'S PRIORITIES

Besides the economic record of the past 5 years and the dramatic deficit reduction that Democrats have achieved, the third thing that makes this agreement possible is that it allocates resources to the priorities that the American people care about: education, the environment, health care, and middle-class tax relief.

On education, this budget plan includes the President's budget proposal for Head Start, which puts us on the road to enrolling 1 million children in Head Start in 2002. Only 714,000 kids were enrolled in 1993. In addition, the budget would fund a child literacy initiative. The more we learn about education and child development, the more we realize that early intervention is vital to enabling a child to gain the skills and knowledge that are vital in today's economy. That's why Head Start and the literacy initiative are so important to our Nation's future.

At the higher education end, this budget would fund the largest Pell Grant increase in two decades. Four million students could receive grants of \$3,000 a year, which is \$300 higher than the current annual grant. The plan also includes \$35 billion worth of higher education tax cuts, including a credit and a deduction. In total, this will be the largest increase in higher education funding since the G.I. Bill in 1945. These resources are sorely needed today. As every American knows, college costs have been spiraling upwards, putting college out of reach for too many families. I am pleased that this budget plan will address this issue.

The budget plan will also devote resources to preserving our environment. This agreement would provide \$3.4 billion in 1998 for the Environmental Protection Agency, which is a 9 percent increase over last year's level, for its research and enforcement work to protect the public from environmental threats. The agreement would enable

the expansion of the Brownfields Redevelopment Initiative to help communities clean up and redevelop contaminated areas. And it could double the pace of Superfund cleanups, leading to 500 additional sites being cleaned up by the year 2000.

With respect to health care, this budget plan is a marked departure from the extreme budget plans we saw here in the Senate back in 1995. In 1995 the majority tried to slash \$270 billion from Medicare in order to provide \$240 billion in tax cuts for the rich. Fortunately that plan never became law. This bipartisan agreement would cut projected Medicare spending by \$100 billion over the next 5 years, but those cuts will largely come from health care providers. And these savings will extend the life of the Medicare trust fund for at least a decade. The agreement would also provide 4 major new preventive Medicare benefits: mammography, colorectal screening, diabetes self-management and vaccinations. What a far cry this plan is from the plan 2 years ago.

I would also like to mention that the budget plan contains a major new initiative to provide health care for kids. It would provide \$16 billion over the next 5 years to cover 5 million children. This coverage will take the form of either improvements to Medicaid or a new mandatory grant program to the States in order to supplement their efforts to cover uninsured children in working families.

Lastly, I remain hopeful that this budget agreement will cut taxes for America's hard-working families. We do not know the details of the proposed tax legislation yet, but the Republican leadership has assured us that the tax bill will include a \$500-per-child tax credit to make it easier for families to raise their kids. It will contain \$35 billion in higher education tax credits to make college more affordable. It will expand the tax advantages of individual retirement accounts.

I have some concerns about the eventual shape of the tax bill, but this budget plan does not specify the distribution of the tax cuts. It does not specify the details of the estate tax or capital gains tax cuts. Those details may well be controversial. But I will wait to see the tax bill before I make that judgment.

#### FURTHER DEFICIT REDUCTION NEEDED

Besides the eventual shape of the tax cuts, I want to raise one other concern about this budget plan. Many of my colleagues are describing this budget as a balanced-budget agreement, and indeed it does balance the unified budget, as I have said. However, as I made clear during the debate on the balanced budget amendment, I do not think the unified budget accurately portrays our fiscal situation. This budget plan is projected to balance the unified budget, but the unified budget counts the Social Security surplus, which is estimated to be \$104 billion in 2002, in order to reduce the deficit.

Congress has recognized that it is not appropriate for us to count the Social Security surplus in this way. And we have said so in the law. Section 13301 of the Budget Enforcement Act of 1990 forbids us from doing it. So if you look at the text of this conference report, which is about the only place where we actually observe section 13301, you will find a revealing statistic. The conference report lists the projected budget deficits in each fiscal year. And guess what? In 2002, if you take out the Social Security trust fund surplus, we will have a deficit of \$108 billion.

So, Mr. President, in my view the Congress still has some deficit reduction left to do if we are to truly balance the budget. And I am pleased that the final version of the budget plan contains my amendment, which the Senate approved when I offered it here 2 weeks ago. My amendment simply says that we should continue to work to reduce the true deficit, so that we can balance the budget without relying on the Social Security trust fund.

#### A BALANCED AGREEMENT

However, Mr. President, I do not intend to make the perfect enemy of the good in our budgeting. In general, I believe this budget agreement meets America's expectations and addresses America's priorities. That is why I will vote for it, and why I will work to see the budget deal implemented this summer in a way that carries out the bipartisan agreement that we have achieved this spring.

● Mr. JEFFORDS. Mr. President, as we are now within 1,000 days of the new millennium, we need to begin to think about what our Nation should look like in the next 1,000 years. For in the last 1,000 years we have discovered new continents and new planets, we have conquered deadly diseases and created new technology. As we stand at the threshold of the next century we need to take the steps to prepare the Federal Government and all Americans for the path that lies ahead.

This budget resolution is based on principles which are reasonable, credible, solution-oriented, and are based on common sense. It is because of those principles, Mr. President, that I rise today to support this bipartisan balanced budget resolution. For today we begin the process to bring fiscal security and greater economic opportunity to our children.

For over 25 years, the Federal Government has been unable to balance the budget. We now owe more than \$5.3 trillion. Therefore, we spend over \$900 million on interest every day. We send more to our bondholders in 3 days than we do to every man, woman, and child in Vermont over the course of an entire year.

The interest payment on our national debt is five and half times more than we spend on all education, job training, and employment programs combined. If one was to ask the question what should be the Federal priorities of this Nation? Should we spend

more money on education for the future of this Nation, or more money on interest? Well, it is clear what our choice would be—education. Yet, we have precisely reversed our priorities because we have been imprudent with our fiscal policy.

Balancing the budget is what we need to do to ensure a brighter future for America. Lower interest rates will allow American families to purchase their first home, send a child to college, and buy a new automobile. The real benefits of a balanced budget will be realized in the increased standard of living for each American family.

Mr. President I would now like to take a moment to speak about some of the provisions in this agreement.

Medicare serves a 37.5 million elderly and disabled individuals in this country. For several years the trustees of the Medicare program have continued to send notice to Capitol Hill that steps needed to be taken or this program will go bankrupt. This budget resolution keeps this program solvent for the next 10 years. We now can take the steps to make fundamental changes to preserve and strengthen Medicare for the current recipients and future generations.

Through the effort of several of my colleagues, children's health was put in the forefront during these first few months of the 105th Congress. Senators came up with different proposals due to one fundamental thing—the need to provide health insurance to the estimated 10 million low income children. I commend both the administration and the leadership for realizing the importance of this issue and to providing the needed resources for these children.

In many families today, both parents need to work in order to get by. They work in order to give their children a chance at a better future. Dinner tables in the past were filled with lively conversation. Conversation centering on discussions of values and goals and the other important issues which bring a family together. These tables are now silent. Empty tables due to the fact parents come home from work just too tired.

It is time for we in Congress to take some steps to provide relief for the American family. The tax reduction package is not going to solve all the problems that each family faces in this country. But what it will do is leave some additional dollars in the pockets of our hard-working Americans in order for them to spend those funds on their family needs. As a member of the Finance Committee, I look forward to working with Chairman ROTH on the specific provisions dealing with tax relief.

One of the reasons I first got involved in public service was to make a difference in the educational system of our Nation. As chairman of the Labor and Human Resources Committee I feel that it is important that we continue to improve our school system. We have all read stories about children who go

to class but just don't learn. Each day is a lost opportunity to shape and prepare these children for the future. A generation is leaving high school unable to meet the challenges that lay ahead.

When a high school graduate is unable to read, what we find is that we sent an individual into the world who will live a life of missed opportunities. Every year America becomes a more technological country. Distances which used to be measured in the time it took for a plane travel across this country are now measured in the time it takes for a signal to be bounced off a satellite. Children need to graduate from high school not just able to read but to understand the changing nature of the workplace.

Over my many years in Congress, I have championed educational opportunities for our children. This budget provides additional funding for programs that will help students throughout this Nation prepare for the future. Even though, for every dollar of increased spending for certain specific programs, this budget has made a \$15 reduction in spending. Today we begin to prepare our students with greater educational opportunities and our Federal Government will lower deficit spending, both which will help meet the demands of a global economy.

Mr. President, in closing, the American people in 1996 sent a message to our Nation's Capital. They wanted an administration and Congress of different political parties to work together to solve common problems. Though this agreement is not perfect, and there are some in this Chamber that feel that we have gone too far and some who feel we have not gone far enough, it is an important step forward. This is not a budget based on party, or one that was written exclusively in the Halls of Congress or in the Oval Office, this is a budget of compromise. This is a first step toward a new millennium. A time where America is going to need the ability to meet the challenges that lie ahead.

I want to commend Budget Committee Chairman PETE DOMENICI and Majority Leader LOTT for their determination, their hard work, and their vision in putting together this historic budget resolution. This is the first step to ensure a brighter tomorrow for our nation.

Mr. President, I yield the floor. ●

Mrs. MURRAY. Mr. President, I rise today in support of the conference report on the fiscal year 1998 budget resolution, which puts us on a path to a balanced budget by the year 2002. As a member of the Budget Committee, I am proud to have been a part of the process that created this agreement. While I recognize that it is not perfect and that the real work is still ahead of us, I still believe that it represents a legitimate and fair plan to ensure that we achieve a balanced budget.

This agreement builds on the historic and successful deficit reduction package enacted in 1993, which resulted in a

real reduction in the Federal deficit. This 1993 package not only brought the deficit down from a high of \$290 billion in 1992 to an estimated \$70 billion for 1997, but it has achieved real economic growth and expansion.

The agreement before us today is another step in making sure that our fiscal house is in order. Developing this agreement was not an easy task, and required some tough choices, but the bipartisan approach succeeded.

Throughout the process, significant improvements were made to the original agreement. I believe that some of these improvements are essential to protecting the integrity of the agreement. I am pleased that most of these improvements remained in agreement throughout the conference process.

One of these improvements is an amendment that I offered to ensure that in meeting the deficit reduction target for Medicaid, the authorizing committees will not look to a per-capita cap as a mechanism for savings or for controlling future spending. I believe that this was an important message to send; a per-capita cap is not an acceptable mechanism for controlling Medicaid costs and could seriously jeopardize the quality of care for millions of children, senior citizens, and the disabled.

Along these same lines, I was pleased to join with my colleague from Missouri, Senator BOND, in support of an amendment that expresses the sense of the Senate, that any changes in the Medicaid disproportionate share hospital payments not jeopardize the ability of hospitals, especially children's hospitals to serve the most neediest and the most vulnerable. We have to be absolutely sure that the numbers do not drive the policy. If savings can be achieved through reforming DSH without jeopardizing access to quality health care for the most needy than these policy changes should be considered. But, if the motive is simply a number and develop the policy around the cut, than this is unacceptable.

Working with my good friend from Minnesota, Senator WELLSTONE, we were successful in including the family violence option amendment to the Senate resolution. This amendment simply recognizes the need to properly clarify the ability of the States to include a family violence option as part of their welfare reform plans without facing any penalty. During Senate debate on welfare reform in the 104th Congress, Senator WELLSTONE and I included this option as guidance to the States. Unfortunately, there is now some dispute as to congressional intent. The family violence option amendment that Mr. WELLSTONE and I offered to the budget resolution is intended to address this confusion. The amendment is simple: It allows the States to waive work or training requirements for victims of domestic violence and abuse without being forced to count these individuals as part of the 20 percent hardship exemption. Proper implementation of a family violence option guarantees that women who have been victims of do-

mestic violence or abuse do not become victims of welfare reform. Placing barriers to welfare simply means that these women and their children are trapped in a violent and in some cases, life threatening environment. For many, welfare is the only way to escape the violence.

While I believe that this agreement is a major step forward, I am deeply concerned that efforts already underway would ignore the agreement. In developing the reconciliation bills, we must adhere to the goals and principles of this agreement. I am hopeful that there will be no effort to ignore the policy assumptions in this agreement. We must also be absolutely sure that any tax cut proposal is fiscally sound and does not explode the deficit. Not only would this be unethical, but it would be economically foolish.

I want to thank both Chairman DOMENICI and Senator LAUTENBERG for their efforts in bringing this conference report together and for working with me to improve the final agreement.

#### CHILDREN'S HEALTH INITIATIVE

Mr. LAUTENBERG. Mr. President, I would like to clarify for the record, a procedural point in the budget resolution. The budget resolution conference report currently before the Senate includes language which would permit the chairman of the Budget Committee, with the concurrence of the ranking member, to revise the reconciliation instructions to the Finance Committee and to adjust other budget resolution levels in amounts which are intended to reflect the children's health initiative. In this regard, I would direct the attention of our colleagues to the children's health section of the bipartisan budget agreement, which provides that the \$16 billion in funding "could be used for one or both of Medicaid (provisions) \* \* \* and a program of capped mandatory grants to States." The agreement further provides that other possibilities for implementation of the child health initiative may be considered if mutually agreeable. Would the chairman of the committee agree that the budget agreement therefore requires the concurrence of all parties to the agreement—the majority and minority in Congress and the President—before other policy options may be considered?

Mr. DOMENICI. Yes, I concur with the Senator from New Jersey that agreement of the President and the majority and minority leadership in Congress are necessary to consider children's health options beyond the specified Medicaid and capped mandatory alternatives.

#### HIGHWAY RESERVE FUND

Mr. BYRD. Mr. President, I would like to engage in a colloquy with the distinguished Chairman of the Senate Budget Committee regarding the highway reserve fund in the conference agreement on H. Con. Res. 84.

Mr. President, as my colleagues know, I strongly support increased Federal infrastructure spending. This budget resolution, while providing for

increased transportation spending, does not provide as much infrastructure spending as I would have liked. During floor consideration of this budget resolution, I offered an amendment to provide for a reserve fund for highways that would allow for increased spending on highways above the amounts called for in the budget resolution so long as appropriate offsets are found. I believe that, once the Senate begins debate on the reauthorization of the Intermodal Surface Transportation Efficiency Act or ISTEA, there will be strong interest on the part of many Members on both sides of the aisle to find additional resources to produce a highway bill that is balanced and meets the transportation needs of all regions of the country. As such, I am very pleased that the conference agreement on this budget resolution includes a highway reserve fund that is effectively identical to the one provided for in my amendment.

I wish to thank the distinguished Chairman of the Budget Committee for his cooperation on this matter and ask if I am correct that the main purpose of this reserve fund is to accommodate higher contract authority and outlays for highway programs if this additional spending is offset by direct spending reductions or revenue increases?

Mr. DOMENICI. Yes, the Senator is correct. We have provided \$8.5 billion in outlays above the President's budget request for transportation. Even more critical, the bipartisan budget agreement and this budget resolution has as one of its primary discretionary assumptions that Congress will spend all of the highway trust fund receipts over the next 5 years. This will allow for increased highway obligations by the Appropriations Committee of \$9.3 billion over the President's budget request for highways between 1998 and 2002.

Mr. BYRD. Would the Chairman also take a moment to describe how the reserve fund would be used to create this additional deficit-neutral spending for highways?

Mr. DOMENICI. I thank the distinguished Senator from West Virginia for raising this issue and would be happy to explain the operation of the reserve fund. As the Senator knows, the authority to fund highway programs is split between the Environment and Public Works Committee, which provides budget authority through contract authority, and the Appropriations Committee, which controls outlays of the highway program through annual obligation limitations.

The bifurcated funding nature of these programs made it difficult to design a reserve fund to allow for additional funding. I appreciate the Senator from West Virginia's assistance in crafting the highway reserve fund.

The highway reserve fund in this resolution has separate components to allocate funding from additional savings to the Environment and Public Works



Committee for additional contract authority and to the Appropriations Committee for additional outlays for highway programs.

The first provides a mechanism to increase budget authority levels in the budget resolution to accommodate additional highway contract authority. If legislation is reported to the Senate, or an amendment is offered on the Senate floor, that reduces nonhighway direct spending or increases revenues above the levels contained in the budget resolution, these savings will be made available for highway spending.

The savings would be captured by adjusting the budget resolution's levels to ensure these savings are not spent for other programs. Next, the budget authority levels in the resolution would be adjusted upwards to accommodate higher contract authority for highways. In order for the Budget Committee to determine how to adjust budget authority levels, the provision of the bill or the amendment must either provide the contract authority for highway programs or dedicate the savings in some fashion for highway programs.

These savings must be either direct spending savings—a reduction in mandatory spending—or an increase in revenues. Other changes, such as a reduction in an authorization of appropriations or the diversion of revenues from the general fund to the highway trust fund, will not qualify. In addition, the savings will qualify only if the committee of jurisdiction from which the savings are found is already within its section 602 ceiling. Savings cannot be used for additional highway spending if the Senate committee of jurisdiction has already used such savings to meet its reconciliation targets.

The second component of this reserve fund allows for these savings, once they have been enacted, to be reserved for future appropriations bills to accommodate additional outlays that would result from an increase in the obligational ceilings for highway programs.

When the legislation that generates the direct spending savings or revenue increases is enacted, I, as Budget Committee chairman, will submit to the Senate a document that will reflect the revisions to the budget resolution levels to ensure these savings are not spent on other programs. This document also would provide the amount on a year-by-year basis of the outlay adjustment that could be made to the discretionary caps for additional highway spending.

As with the adjustment for budget authority I have just discussed, these additional savings must be in addition to the budget resolution savings. It is my belief this reserve fund will allow for a deficit-neutral way of providing additional infrastructure resources.

Mr. BYRD. I thank the Chairman. Am I correct then, that an amendment on the ISTEA reauthorization bill or other legislation that makes the nec-

essary savings and provides additional funding for highways in the manner you have described will not be subject to a Budget Act point of order in the Senate?

Mr. DOMENICI. That is correct. The reserve fund ensures that budget levels are adjusted to accommodate such legislation and avoid Budget Act points of order for exceeding committee allocations or budget aggregates.

Mr. BYRD. I thank the distinguished Chairman for taking the time to clarify this very important issue and I look forward to working closely with him to provide additional highway resources for our Nation during the reauthorization of the ISTEA or other legislation.

Mr. KENNEDY. I would inquire of the Senator from New Jersey and the ranking Democratic Senator for the Budget Committee, as he knows, on a vote of 51-49, the Senate passed the Coverdell amendment to the budget resolution, increasing aggregate budget authority in the year 2000 by \$2.539 billion and function 500 budget authority in the year 2000 by the same amount. The stated purpose of the amendment was to permit States and local education agencies to create voucher programs that would take Federal dollars away from public schools and divert those Federal dollars to support private schools and religious schools. It is my understanding that the entire Coverdell amendment has now been dropped. Is that correct?

Mr. LAUTENBERG. The Senator is correct.

Mr. KENNEDY. Is there anything in the budget agreement or this budget resolution or the report, that reflects any language similar to the purpose of the Coverdell amendment?

Mr. LAUTENBERG. No, there is not.

Mr. KENNEDY. Does the final budget resolution include any of the numbers that were included in the Coverdell amendment?

Mr. LAUTENBERG. No, it does not.

Mr. KENNEDY. I thank the Senator for his response. Obviously, any such voucher program would be highly objectionable because of its serious harmful effects on the Nation's public schools. It's the wrong education priority, and I hope it will continue to be rejected by Congress and the President.

#### FOOD STAMP PROGRAM

Mr. DOMENICI. Mr. President, before we pass the final version of the budget resolution, on behalf of myself and the ranking member, Senator LAUTENBERG, I would like to engage in a colloquy with the distinguished chairman and ranking member of the Agriculture Committee.

Mr. President, the final budget resolution contains an unusual reconciliation instruction to the Agriculture Committee. Unlike the other committee reconciliation instructions, it calls for an increase in direct spending of \$1.5 billion over 5 years. This instruction is designed to fulfill the bipartisan budget agreement between the President, the Speaker of the House,

the Senate majority leader and the Senate minority leader. These parties agreed to add \$1.5 billion in new spending for the Food Stamp Program for increased work slots and expanded waiver authority in the jurisdiction of the Agriculture Committee. The specific details of the bipartisan budget agreement can be found on page 89 of the committee print that accompanies Senate Concurrent Resolution 27.

Mr. President, I would therefore ask the chairman and ranking member of the Agriculture Committee about their intentions regarding the bipartisan budget agreement's provisions of \$1.5 billion in new food stamp spending consistent with the details that can be found on page 89 of the committee print that accompanies Senate Concurrent Resolution 27?

Mr. LUGAR. Mr. President, I would respond to the distinguished chairman of the Budget Committee by saying that I intend to work with the ranking member of the Agriculture Committee, Senator HARKIN, to craft a bill that will comply with the bipartisan budget agreement's food stamp provisions.

Mr. HARKIN. Mr. President, I associate myself with the remarks of the chairman of the Agriculture Committee.

Mr. DOMENICI. I thank the Chairman and ranking member for these responses.

Mr. LAUTENBERG. Mr. President, I am very pleased to hear the distinguished chairman and ranking member of the Agriculture Committee commit to fulfill the bipartisan agreement's food stamp provision.

Mr. STEVENS. Mr. President, section 6005 of the conference agreement on H.R. 1469 contains a substitute for the original Senate prohibition on the expenditure of funds to advocate certain policies with respect to the recognition, validity, or management of rights of way established pursuant to section 2477 of the Revised Statutes (43 U.S.C. 932), more commonly referred to as R.S. 2477.

Section 6005 establishes a commission to recommend a long-term solution to the administration and Congress. The commission is bipartisan—6 Republicans and 6 Democrats—plus a retired Federal judge selected by the other 12 to chair the commission. The commission has representatives from the administration, Congress, and the States.

The commission is cost effective—the only new cost is the salary of the retired judge. All other members are Federal, State, or congressional employees who would serve on the commission within the scope of their existing duties. The Secretary of the Interior is responsible for payment of the chairman's salary and expenses, and for providing, and paying for any necessary staff, office space, and expenses out of existing funds provided for the Department of the Interior.

Based on concerns raised by the administration, the provision waives the

Federal Advisory Committee Act to avoid lengthy procedural delays. However the commission's hearings are open to the public, and a public record is required to be kept of those hearings. In addition, the commission must keep a record of its deliberations.

The commission is tasked with recommending changes in law to expeditiously resolve outstanding right of way claims under R.S. 2477. Those recommendations are to be made in consultation with the governors of affected States. It is my hope that working together this commission can reach consensus on this difficult issue.

This commission must make its recommendations by March 1, 1998, and must include with their submission any comments they receive from governors. The Secretary of the Interior must approve or disapprove the recommendations in their entirety by March 31, 1998. If the Secretary approves the commission's recommendations, then a fast track procedure is provided in Congress to ensure those recommendations are considered. If the Secretary does not approve the commission's recommendations, then the fast track procedure is not available. Under the fast track procedure only relevant amendments are allowed in the Senate during floor consideration of the bill, and any message from the House on such a bill.

The conference agreement leaves intact the permanent prohibition on the issuance of final rules or regulations on R.S. 2477 without express authorization of such rules or regulations by a subsequent act of Congress, and specifically states in section 6005(b)(5)(A) that this provision does not constitute such express authorization. Section 6005 does not repeal or modify any existing law, and takes no position regarding the legitimacy of the R.S. 2477 policy announced by the Secretary of the Interior on January 22, 1997.

Mr. LAUTENBERG. Mr. President, as we finish our work on the conference report. I want to express my appreciation to Jodi Grant, who has provided invaluable assistance to me and my staff. Jodi served as counsel to the Democratic staff before leaving us recently to work on the leadership staff of the distinguished Senator from Massachusetts, Senator KERRY. However, she has taken time from her busy schedule to give us the benefit of her special expertise on budget matters. I very much appreciate her assistance, and thank her for her willingness to help.

#### EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1997—CONFERENCE REPORT

The PRESIDING OFFICER. The hour of 6 o'clock has arrived. The question is on agreeing to the conference report on the supplemental appropriations bill, H.R. 1469.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont [Mr. JEFFORDS] is necessarily absent.

I further announce that if present and voting the Senator from Vermont [Mr. JEFFORDS] would vote "yea."

Mr. FORD. I announce that the Senator from Connecticut [Mr. LIEBERMAN] is necessarily absent.

The PRESIDING OFFICER (Mr. BENNETT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 67, nays 31, as follows:

[Rollcall Vote No. 95 Leg.]

#### YEAS—67

Abraham	Domenici	Moynihan
Allard	Dorgan	Murkowski
Ashcroft	Enzi	Murray
Baucus	Feinstein	Reed
Bennett	Frist	Reid
Bond	Glenn	Robb
Boxer	Gorton	Roberts
Breaux	Grams	Rockefeller
Brownback	Grassley	Roth
Bryan	Hatch	Shelby
Bumpers	Hutchinson	Smith (OR)
Burns	Hutchison	Snowe
Campbell	Inhofe	Specter
Chafee	Johnson	Stevens
Coats	Kempthorne	Thomas
Cochran	Kerrey	Thompson
Collins	Kerry	Thurmond
Conrad	Landrieu	Torricelli
Coverdell	Lott	Warner
Craig	Lugar	Wellstone
D'Amato	Mack	Wyden
Daschle	McCain	
DeWine	McConnell	

#### NAYS—31

Akaka	Gramm	Leahy
Biden	Gregg	Levin
Bingaman	Hagel	Mikulski
Byrd	Harkin	Moseley-Braun
Cleland	Helms	Nickles
Dodd	Hollings	Santorum
Durbin	Inouye	Sarbanes
Faircloth	Kennedy	Sessions
Feingold	Kohl	Smith (NH)
Ford	Kyl	
Graham	Lautenberg	

#### NOT VOTING—2

Jeffords	Lieberman
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The conference report was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1998—CONFERENCE REPORT

The Senate continued with the consideration of the concurrent resolution.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, we are going to vote on the budget resolution in just a moment.

I want to announce that the House passed the Senate budget resolution 333 to 99. We passed it 78 to 22.

I believe the reason we have not gotten a balanced budget in the past is we have not had a President and a Congress in accord. And I think we are going to get a balanced budget.

In recent years, however, the obstacles to the Federal budget have been primarily a question of finding a working consensus between the Executive and the Congress. Today we have a consensus on this issue. Of course, each of us along might have designed the plan differently, but then we might have had a consensus. Yes I personally think we should have done more in entitlement spending programs that still threaten the foundation of this house we build today, but for today we must do what we can to. And I ask you to vote as you did on May 23 and adopt this conference agreement.

Mr. LAUTENBERG. We yield all the time we had.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. STEVENS). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont [Mr. JEFFORDS] is necessarily absent.

I further announce that, if present and voting, the Senator from Vermont [Mr. JEFFORDS] would vote "yea."

Mr. FORD. I announce that the Senator from Connecticut [Mr. LIEBERMAN] is necessarily absent.

The result was announced—yeas 76, nays 22, as follows:

[Rollcall Vote No. 96 Leg.]

#### YEAS—76

Abraham	Dorgan	Lugar
Akaka	Durbin	Mack
Baucus	Feingold	McCain
Bennett	Feinstein	McConnell
Biden	Ford	Mikulski
Bingaman	Frist	Moseley-Braun
Bond	Glenn	Murkowski
Boxer	Gorton	Murray
Breaux	Graham	Nickles
Brownback	Grassley	Reid
Bryan	Gregg	Robb
Burns	Hagel	Roberts
Byrd	Harkin	Rockefeller
Campbell	Hatch	Roth
Chafee	Hutchinson	Santorum
Cleland	Hutchison	Sessions
Cochran	Inouye	Shelby
Collins	Johnson	Smith (OR)
Conrad	Kempthorne	Snowe
Coverdell	Kerrey	Stevens
Craig	Kohl	Thurmond
D'Amato	Landrieu	Torricelli
Daschle	Lautenberg	Warner
DeWine	Leahy	Wyden
Dodd	Levin	
Domenici	Lott	

#### NAYS—22

Allard	Helms	Sarbanes
Ashcroft	Hollings	Smith (NH)
Bumpers	Inhofe	Specter
Coats	Kennedy	Thomas
Enzi	Kerry	Thompson
Faircloth	Kyl	Wellstone
Gramm	Moynihan	
Grams	Reed	

#### NOT VOTING—2

Jeffords	Lieberman
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The conference report was agreed to. Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will shortly adjourn over until Monday at noon, 12 o'clock. I announce to all Senators that no votes will occur on Monday prior to the hour of 5 p.m. I expect a lengthy period of morning business on Monday to accommodate a number of requests, and I will update the Democratic leader at a later time with respect to potential legislation the Senate may consider on Monday. We have already had one conversation about that, and we will have some more here in a few minutes.

Before I consider two housekeeping items, I would like to thank all Senators for their cooperation this week. The Senate has now passed a budget resolution outlining a long overdue balanced budget for our Nation, and I congratulate all those Senators who have participated in the negotiations. Again, I thank Senator DOMENICI, the chairman of Budget Committee, and Senator LAUTENBERG, who also has worked with us getting through some problems we ran into. They both did an excellent job. The Senate also adopted the supplemental appropriations conference report. Consequently, I think this has been a good week, and I hope we can continue that next week.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

##### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT CONCERNING THE NATIONAL EMERGENCY TO THE THREAT POSED BY WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT—PM 45

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

*To the Congress of the United States:*

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report on the national emergency declared by Executive Order 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical

weapons ("weapons of mass destruction") and of the means of delivering such weapons.

WILLIAM J. CLINTON.

THE WHITE HOUSE, June 5, 1997.

#### MESSAGES FROM THE HOUSE

At 3:50 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 84) establishing the congressional budget for the United States Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002.

At 7:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1469) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the fiscal year ending September 30, 1997, and for other purposes.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2058. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the Selected Acquisition Reports for the period October 1 through December 31, 1996; to the Committee on Armed Services.

EC-2059. A communication from the Acting Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, a rule entitled "State Program" (CO-034-FOR) received on May 23, 1997; to the Committee on Energy and Natural Resources.

EC-2060. A communication from the Board Members of the U.S. Railroad Retirement Board, transmitting, a draft of proposed legislation entitled "The Railroad Retirement Financial Improvement Act of 1997"; to the Committee on Labor and Human Resources.

EC-2061. A communication from the Board Members of the U.S. Railroad Retirement Board, transmitting, a draft of proposed legislation entitled "The Railroad Retirement and Railroad Unemployment Insurance Amendments Act of 1997"; to the Committee on Labor and Human Resources.

EC-2062. A communication from the Board Members of the U.S. Railroad Retirement Board, transmitting, a draft of proposed legislation entitled "The Railroad Retirement and Railroad Unemployment Insurance Penalty Amendments Act of 1997"; to the Committee on Labor and Human Resources.

EC-2063. A communication from the Assistant Secretary of Labor for Employment Standards, transmitting, pursuant to law, a rule entitled "Nondisplacement of Qualified Workers Under Certain Contracts" (RIN1215-

AA95) received on May 22, 1997; to the Committee on Labor and Human Resources.

EC-2064. A communication from the Chairperson of the U.S. National Commission on Libraries and Information Science, transmitting, pursuant to law, the annual report for fiscal year 1996; to the Committee on Labor and Human Resources.

EC-2065. A communication from the Secretary of Health and Human Services, transmitting, drafts of legislative proposals relative to public health for fiscal year 1998; to the Committee on Labor and Human Resources.

EC-2066. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, two rules including a rule entitled "Food Labeling"; to the Committee on Labor and Human Resources.

EC-2067. A communication from the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, two rules entitled "The William D. Ford Federal Direct Loan Program" (RIN1840-AC42) received on June 2, 1997; to the Committee on Labor and Human Resources.

EC-2068. A communication from the Congressional Review Coordinator of the Marketing and Regulatory Programs, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled "Gypsy Moth Generally Infested Areas" received on June 2, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2069. A communication from the Acting Administrator of the Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, a rule entitled "1997 Marketing Quota" received on June 2, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2070. A communication from the Chief of the Natural Resources Conservation Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled "The Environmental Quality Incentives Program" (RIN0578-AA19) received on June 2, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2071. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, two rules including a rule entitled "U.S. Standards for Grades of Apple"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2072. A communication from the Administrator of the Rural Utilities Services, Department of Agriculture, transmitting, pursuant to law, two rules including a rule entitled "Exemptions of RUS Operational Controls" received on June 2, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2073. A communication from the Acting President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC-2074. A communication from the Acting President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Argentina; to the Committee on Banking, Housing, and Urban Affairs.

EC-2075. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of two rules including a rule entitled "Community Support Requirements,"

received on June 2, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC-2076. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report for calendar year 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC-2077. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1996; to the Committee on the Judiciary.

EC-2078. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report concerning direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC-2079. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule relative to Endangered and Threatened Wildlife and Plants, (RIN1018-AE10) received on June 4, 1997; to the Committee on Environment and Public Works.

EC-2080. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, a report of a building project survey for the Department of Transportation; to the Committee on Environment and Public Works.

EC-2081. A communication from the Administrator of the General Services Administration, transmitting, a prospectus for construction of a building for the Bureau of Alcohol, Tobacco, and Firearms; to the Committee on Environment and Public Works.

EC-2082. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, two rules including a rule relative to Approval and Promulgation of Implementation Plans, (RIN2070-AB78, FRL-5829-9) received on June 4, 1997; to the Committee on Environment and Public Works.

EC-2083. A communication from the Assistant Administrator of the Environmental Protection Agency, transmitting, the report on the Toxic Release Inventory (TRI); to the Committee on Environment and Public Works.

EC-2084. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report on Environmental Monitoring of Organotin; to the Committee on Environment and Public Works.

#### PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-123. A resolution adopted by the Mayor and Council of the Borough of Ship Bottom, County of Ocean, New Jersey relative to the Mud Dump Site; to the Committee on Environment and Public Works.

POM-124. A resolution adopted by the Borough Council of the Borough of Tinton Falls, New Jersey relative to the Mud Dump Site; to the Committee on Environment and Public Works.

POM-125. A resolution adopted by the Mayor and Council of the Borough of Fair Haven, New Jersey relative to the Mud Dump Site; to the Committee on Environment and Public Works.

POM-126. A resolution adopted by the Romanian Community of Sacramento, Cali-

fornia relative to the North Atlantic Treaty Organization; to the Committee on Foreign Relations.

POM-127. A resolution adopted by the Board of Commissioners of the Metropolitan Knoxville (Tennessee) Airport Authority relative to the National Spallation Neutron Source; to the Committee on Commerce, Science, and Transportation.

POM-128. A resolution adopted by the Legislature of the State of Michigan; to the Committee on Finance.

#### SENATE RESOLUTION NO. 20

Whereas, The federal unified gift and estate tax generates a minimal amount of federal revenue, especially considering the high cost of collection and compliance, and in fact has been shown to decrease these federal revenues from what they might otherwise have been; and

Whereas, This "Death Tax" has been identified as destructive to job opportunity and expansion, especially to minority entrepreneurs and family farmers; and

Whereas, The "Death Tax" causes severe hardship to growing family businesses and family farming operations, often to the point of partial or complete forced liquidation. This deprives state and local governments of an important, ongoing source of revenue; and

Whereas, Critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of the community through the relocation and liquidation associated with the tax; and

Whereas, Local and state schools, churches, and numerous other charitable activities would greatly benefit from the increased employment and continued family business leadership resulting from the repeal of the tax; now, therefore, be it

*Resolved by the Senate*, That we memorialize the Congress of the United States to repeal the federal unified gift and estate tax; and be it further

*Resolved*, That a copy of this resolution be transmitted to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Secretary of the Treasury of the United States, and the members of the Michigan congressional delegation.

#### SENATE CONCURRENT RESOLUTION NO. 25

Whereas, Since its establishment following World War II, the North Atlantic Treaty Organization has played a key role in helping to bring stability to the world. In addition to its strategic significance, NATO has fostered economic and social benefits through increased communications and various programs. This success is built on the commitment of its member nations to ideals of democracy and opposition to oppression; and

Whereas, The role that NATO plays in encouraging peace and progress is especially apparent to the Baltic nations of Estonia, Latvia, and Lithuania. The Baltic states, through their individual histories, especially their common experiences in this century, are well aware of the need for unity among people devoted to self-determination. The irreversible commitment to democracy in Estonia, Latvia, and Lithuania is among the many conditions that are the foundation of NATO; and

Whereas, While much has changed in Europe over the past decade, there remain many reminders of threats to security in the region. Situations in several areas illustrate the role for NATO and the need for it to include the nations of the Baltic states; now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That we memorialize the President and the Congress of the United States to work for the admission of Latvia, Estonia, and Lithuania into the North Atlantic Treaty Organization; and be it further

*Resolved*, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-130. A resolution adopted by the House of the General Assembly of the Commonwealth of Kentucky; to the Committee on Foreign Relations.

#### HOUSE RESOLUTION

Whereas, the noble people of Ethiopia have developed and nourished a proud and distinguished culture that has endured for three millennia; and

Whereas, Ethiopia has had a long and productive friendship with the United States of America; and

Whereas, the people of the United States have responded generously and magnificently to the plight of Ethiopian famine victims through the provision of humanitarian aid; and

Whereas, the winds of democratic change have blown dramatically and ferociously across the former Soviet Union, Eastern Europe, Latin America, many parts of Africa, and now to Ethiopia; and

Whereas, Ethiopia is poised at a crucial juncture in its history because it is making a regression toward non-democratic one-party rule of Ethiopian People's Revolutionary Democratic Front (EPRDF); and

Whereas, the ascendance of the Ethiopian People's Revolutionary Democratic Front and its policy of promoting ethnic federalism have engendered animosity among nationalities of Ethiopia; and

Whereas, such governmental policies and practices have contributed to the severity of strained relations in Ethiopia by misdirected bureaucratic cleansing, arbitrary arrest, and detention of the prominent physician professor Asrat Woldeyes and many other prisoners of conscience, recognized as such by Amnesty International and the indigenous Ethiopian Human Rights Council (EHRC); and

Whereas, the people of Ethiopia are aspiring to resolve their complicated problems through the formation and utilization of democratic institutions and maximum citizen input; and

Whereas, the basic underpinning of democratic institutions in the new Ethiopia should be the supremacy of the will of the people and the guarantee of the rule of the people; and

Whereas, the Ethiopian government should adhere to the United Nations Universal Declaration of Human Rights, which encourages freedom of speech, assembly, religion, and press, guarantees all basic rights, and discourages ethnocentric politics and ethnic reservations; and

Whereas, it is crucial that the diverse voices, opinions, and philosophies of the people be expressed in promoting political, economic, and social progress and justices in Ethiopia; and

Whereas, a multiparty government may be the most egalitarian, feasible, and productive political arrangement in providing suffrage and in overcoming monumental obstacles; and

Whereas, the President Bill Clinton and the Congress of the United States will play a crucial role in promoting the peaceful resolution of the immense problems of war ravaged Ethiopia; and

Whereas, the implementation of a democratic, multiparty government in Ethiopia should be a long-range foreign policy goal of the United States Government;

Now, therefore, be it

*Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:*

SECTION 1. That the Honorable House of Representatives continue to encourage the formation of democratic institutions, multiparty participation, progressive social change, and respect for fundamental human rights in Ethiopia, including freedom of association and expression.

SECTION 2. The President and the Congress of the United States should be encouraged to use every possible means at their command to examine the policy, that recognizes and evaluates the political conditions that exist in Ethiopia with a view to ensure the prevention of the shocking brutality of ethnic warfare elsewhere in Africa from spreading to Ethiopia.

SECTION 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to the Honorable Bill Clinton, President, 1600 Pennsylvania Avenue, Washington, D.C. 20500; the Honorable Albert Gore, Vice President, Old Executive Office Building, Washington, D.C. 20510; the Honorable Madeleine K. Albright, 2201 "C" Street, N.W., Washington, D.C. 20520; His Excellency Berhane Gebre-Chrispof, Embassy of Ethiopia, 2134 Kalorama Road, N.W., Washington, D.C. 20008; the Honorable Newt Gingrich, Speaker of the House of Representatives, 2428 Rayburn House Office Building, Washington, D.C. 20515-1006; the Honorable Wendell H. Ford, 173A Russell Senate Office Building, Washington, D.C. 20510; the Honorable Mitch McConnell, 361A Russell Senate Office Building, Washington, D.C. 20510; the Honorable Ed Whitfield, 236 Cannon House Office Building, Washington, D.C. 20515; the Honorable Ron Lewis, 412 Cannon House Office Building, Washington, D.C. 20515; the Honorable Anne Northup, 1004 Longworth Office Building, Washington, D.C. 20515; the Honorable Jim Bunning, 2437 Rayburn House Office Building, Washington, D.C. 20515; the Honorable Harold Rogers, 2468 Rayburn House Office Building, Washington, D.C. 20515; and the Honorable Scotty Baesler, 113 Cannon House Office Building, Washington, D.C. 20515.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

S. 289. A bill to designate the United States courthouse to be constructed at the corner of Superior Road and Huron Road in Cleveland, Ohio, as the "Carl B. Stokes United States Courthouse."

S. 347. A bill to designate the Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, as the "Sam Nunn Federal Center."

S. 478. A bill to designate the Federal building and United States courthouse located at 475 Mulberry Street in Macon, Georgia, as the "William Augustus Bootle Federal Building and United States Courthouse."

S. 628. A bill to designate the United States courthouse to be constructed at the corner of 7th Street and East Jackson Street in Brownsville, Texas, as the "Reynaldo G. Garza United States Courthouse."

S. 681. A bill to designate the Federal building and United States courthouse located at 300 Northeast First Avenue in

Miami, Florida, as the "David W. Dyer Federal Courthouse."

S. 715. A bill to redesignate the Dublin Federal Courthouse building located in Dublin, Georgia, as the "J. Roy Rowland Federal Courthouse."

S. 819. A bill to designate the United States courthouse at 200 South Washington Street in Alexandria, Virginia, as the "Martin V.B. Bostetter, Jr. United States Courthouse."

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Michael J. Armstrong, of Colorado, to be an Associate Director of the Federal Emergency Management Agency.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Brigadier General Robert Bernard Flowers, United States Army, to be a Member and President of the Mississippi River Commission, under the provisions of Section 2 of an Act of Congress, approved June 1879 (21 Stat. 37) (33 USC 642).

(The above nomination was reported with the recommendation that he be confirmed.)

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs:

Jackie M. Clegg, of Utah, to be First Vice President of the Export-Import Bank of the United States for a term expiring January 20, 2001.

James A. Harmon, of New York, to be President of the Export-Import Bank of the United States for a term expiring January 20, 2001.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JEFFORDS:

S. 830. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act to improve the regulation of food, drugs, devices, and biological products, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SHELBY (for himself, Mr. BOND, Mr. HAGEL, Mr. HUTCHINSON, and Mr. COVERDELL):

S. 831. A bill to amend chapter 8 of title 5, United States Code, to provide for congressional review of any rule promulgated by the Internal Revenue Service that increases Federal revenue, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KOHL (for himself, Mr. KERREY, Mr. HARKIN, Mr. HATCH, Mr. HAGEL, and Mr. GRASSLEY):

S. 832. A bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. GLENN, and Mr. HATCH):

S. 833. A bill to designate the Federal building courthouse at Public Square and Superior Avenue in Cleveland, Ohio, as the "Howard M. Metzenbaum United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. HARKIN (for himself and Mr. REED):

S. 834. A bill to amend the Public Health Service Act to ensure adequate research and education regarding the drug DES; to the Committee on Labor and Human Resources.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 835. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of effectively connected investment income of insurance companies; to the Committee on Finance.

By Mr. ABRAHAM (for himself, Mr. MCCONNELL, Mr. COVERDELL, Mr. SANTORUM, Mr. MCCAIN, and Mr. ASHCROFT):

S. 836. A bill to offer small businesses certain protections from litigation excesses; to the Committee on the Judiciary.

By Mr. CAMPBELL (for himself, Mr. HATCH, and Mr. CRAIG):

S. 837. A bill to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms and to allow States to enter into compacts to recognize other States' concealed weapons permits; to the Committee on the Judiciary.

By Mr. BRYAN (for himself, Mr. BOND, and Ms. MOSELEY-BRAUN):

S. 838. A bill to amend the Securities Exchange Act of 1934 to eliminate legal impediments to quotation in decimals for securities transactions in order to protect investors and to promote efficiency, competition, and capital formation; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BINGAMAN (for himself and Mrs. MURRAY):

S. 839. A bill to improve teacher mastery and use of educational technology; to the Committee on Labor and Human Resources.

By Mr. GRAHAM:

S. 840. A bill to amend the Internal Revenue Code of 1986 to provide an exemption from tax gain on sale of a principal residence; to the Committee on Finance.

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 841. A bill to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INHOFE (for himself, Mr. BREAUX, Mr. CRAIG, and Mr. HUTCHINSON):

S. 842. A bill to provide for the immediate application of certain orders relating to the amendment, modification, suspension, or revocation of certificates under chapter 447 of title 49, United States Code; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH (for himself, Mr. BAUCUS, and Mr. MACK):

S. 843. A bill to amend the Internal Revenue Code of 1986 to simplify certain rules relating to the taxation of United States business operating abroad, and for other purposes; to the Committee on Finance.

By Mr. SPECTER:

S. 844. A bill to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998; to the Committee on Governmental Affairs.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. MCCONNELL, Mr. SANTORUM, Mr. ROBERTS, Mr. COCHRAN, Mr. CRAIG, Mr. GRASSLEY, Mr. DASCHLE, Mr. LEAHY, Mr. KERREY, Mr. BAUCUS, Ms. LANDRIEU, Mr. JOHNSON, and Mr. CONRAD):

S. 845. A bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes; to the Committee on Governmental Affairs.

By Mr. AKAKA:

S. 846. A bill to amend the Federal Power Act to remove the jurisdiction of the Federal Energy Regulatory Commission to license projects on fresh waters in the State of Hawaii; to the Committee on Energy and Natural Resources.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. BROWNBACK, Mr. ASHCROFT, Mr. COVERDELL, and Mr. GREGG):

S. 847. A bill to provide scholarship assistance for District of Columbia elementary and secondary school students; to the Committee on Governmental Affairs.

By Mr. MURKOWSKI (for himself and Mr. BAUCUS):

S. 848. A bill to direct the Secretary of Health and Human Services, through the Health Care Financing Administration, to expand and strengthen the demonstration project known as the Medicare telemedicine demonstration program; to the Committee on Finance.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRAIG:

S. Res. 96. A resolution proclaiming the week of March 15 through March 21, 1998, as "National Safe Place Week"; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. ROBB):

S. Res. 97. A resolution expressing the sense of the Senate that the President should designate the month of June 1997, the fiftieth anniversary of the Marshall Plan, as George C. Marshall month, and for other purposes; considered and agreed to.

By Mr. D'AMATO (for himself, Mr. BOND, Mr. MACK, and Mr. SPECTER):

S. Con. Res. 31. A concurrent resolution concerning the Palestinian Authority and the sale of land to Israelis; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JEFFORDS:

S. 830. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act to improve the regulation of food, drugs, devices, and biological products, and for other purposes; to the Committee on Labor and Human Resources.

THE FOOD AND DRUG ADMINISTRATION MODERNIZATION AND ACCOUNTABILITY ACT OF 1997

Mr. JEFFORDS. Mr. President, today I am introducing legislation to modernize the Food and Drug Administra-

tion [FDA] and reauthorize the Prescription Drug User Fee Act for 5 years. This legislation comes as result of over 3 years of consideration by the Congress on steps that could be taken by the agency that would contribute to its mandate to protect the American public while ensuring that life-saving products could be made more readily available.

FDA acknowledges that its mandate also requires it to regulate over one-third of our Nation's products. Within its purview the FDA regulates virtually all of the food and all of the cosmetics, medical devices, and drugs made available to our citizens. I believe, and several members of the Labor Committee share my belief, that in an organization the size of FDA there is always room for improvement and modernization. Our objective, which this legislation achieves, was identify areas where improvements could be made that will strengthen the agency's ability to approve safe and effective products more expeditiously.

Last year, both the House and the Senate held numerous and extensive hearings on countless proposals for modernizing and reforming the FDA. The Senate Labor and Human Resources Committee successfully reported a bipartisan bill that sought to accomplish many of those reforms. But last year, acrimonious issues remained, time ran out and the bill did not receive floor consideration. This year I have resolved to move forward. I have been committed to addressing last year's most controversial issues. I believe that the legislation I am introducing today addresses virtually all of objections raised last year both in process and in content. This is a better bill and I believe that upon examination, my colleagues will agree that it accomplishes its goal.

I want to comment a moment on the open, consensus-building process we followed in developing this legislation. The Labor Committee held two hearings. During the first the committee received testimony from the principal FDA Deputy Commissioner, Dr. Michael Friedman, and all of the FDA Center Directors. The second hearing included representatives from patient and consumer coalitions and from the food, drug, and medical device sectors regulated by the FDA. Committee members learned from the agency of the administrative reforms and the progress it has already undertaken, areas that remain a challenge, and those areas that require legislative authority to change. The committee listened to consumers' concerns with provisions that were considered last year that they felt would weaken the FDA's ability to protect the public health. Finally, the committee learned of the ongoing and needless delays and frustrations facing health care and consumer product sectors of our economy in working with the FDA. The committee learned of the frustrated attempts to work through the bureaucratic lab-

yrinth of needless regulatory delays. Delays that prohibited people from getting access to vitally needed, life saving medical treatments, drugs, and devices.

Since the finish of the committee's hearings we have engaged in an open, collaborative process that has given voice to each party wishing to be heard. For many of these meetings it is worth noting that the agency was a full, cooperating participant and we would not have been able to make the progress made without FDA's collaboration. Several meetings, essentially roundtable discussions, have occurred with bipartisan committee staff, the FDA, and each of the several sectors regulated by the agency. These meetings have given all the participants an opportunity to discuss problems and potential solutions and have been the basis for the consensus bill I am introducing today. Finally, committee staff have had numerous meetings to discuss key provisions in the bill with a wide range of consumer groups including, among others, the Patient Coalition, Public Citizen, the Centers for Science in the Public Interest, the Pediatric AIDS Foundation, and the National Organization for Rare Diseases. It should be clear that no person or group was excluded from this deliberative process.

Let me turn to the content of this measure and the steps we have taken to respond to the controversies raised last year. Five key objections were raised against the FDA reform bill that had been reported on a strong bipartisan vote from the Labor and Human Resources Committee during the last Congress. In that vein, we have sought to and have accomplished addressing each of the substantive concerns raised by the minority.

Last year's measure was criticized by some for the number of mandatory, but shortened, product review time frames that critics said would overburden the FDA and for the hammers that would have required FDA to contract out some product reviews or to give priority to products approved abroad. Today's legislation eliminates most of the mandatory time frames and retains only those necessary to ensure collaborative, more efficient reviews or to facilitate quick reviews of low risk products. The contracting out and European review hammers that would have forced FDA actions have been eliminated.

Last year's provision allowing for third party, outside expert review were criticized for turning central regulatory authority decisions over to private industry, creating conflicts of interest, and depriving FDA of resources and expertise. Today's legislation adopts FDA's current system for accrediting and selecting third-party review organizations. The bill expands FDA's current pilot third-party review program beyond just the lowest risk devices and FDA retains final approval for all devices. Devices that are life-



supporting, life-sustaining, or implantable are excluded from third-party review. FDA may allow third-party review for higher risk devices at its sole discretion. This approval will allow FDA to retain, augment, and focus its expertise, at its discretion, on critical areas of its expanding workload.

Last year's bill would have required FDA to contract out review of food additive petitions, medical devices, and drugs. Critics argued these changes would weaken consumer protections. We have modified these provisions to give FDA express authority to contract out when deemed by FDA to be more efficient or to add needed expertise.

This year the collaborative effort has continued. During our meetings FDA identified a number of enforcement powers that the agency believes will enhance its ability to protect the public health. We have included a number of FDA's specific requests. Many patient and consumer groups raised concerns about insufficient safeguards related to the fast-track drug approval process and the provision improving accelerated access to investigational products and we have adopted several of their key concerns.

I would close by saying that this measure embodies a reasonable, moderate approach to balancing the agency's mandate to regulate over one-third of our Nation's economy and provide for the public health and safety with the compelling need to provide new, improved, safe, and effective products to the American public. It is a good bill and I look forward to working with my colleagues to improve it even further.

By Mr. SHELBY (for himself, Mr. BOND, Mr. HAGEL, Mr. HUTCHINSON, and Mr. COVERDELL):

S. 831. A bill to amend chapter 8 of title 5, United States Code, to provide for congressional review of any rule promulgated by the Internal Revenue Service that increases Federal revenue, and for other purposes; to the Committee on Governmental Affairs.

#### THE STEALTH TAX PREVENTION ACT

Mr. SHELBY. Mr. President, I rise today to introduce the Stealth Tax Prevention Act. Perhaps the most important power given to the Congress in the Constitution of the United States is bestowed in article I, section 8—the power to tax. This authority is vested in Congress because, as elected representatives, Congress remains accountable to the public when they lay and collect taxes.

Last year, Mr. President, Congress passed the Congressional Review Act of 1996, which provides that when a major agency rule takes effect, Congress has 60 days to review it. During this time period, Congress has the option to pass a disapproval resolution. If no such resolution is passed, the rule then goes into effect.

The Internal Revenue Service, as the President here knows, has enormous

power to affect the lives and the livelihoods of American taxpayers through their authority to interpret the Tax Code. The Stealth Tax Prevention Act that I am introducing today, along with Senator BOND and Senator HAGEL, will expand the definition of a major rule to include, Mr. President, any IRS regulation which increases Federal revenue. Why? Because we desperately need this today.

For example, if the Office of Management and Budget finds that the implementation and enforcement of a rule has resulted in an increase of Federal revenues over current practices or revenues anticipated from the rule on the date of the enactment of the statute under which the rule is promulgated. Therefore, the Stealth Tax Prevention Act will allow Congress to review the regulation and take appropriate measures to avoid raising taxes on hard-working Americans, in most cases, small businesses.

Mr. President, the Founding Fathers' intent, as you know, was to put the power to lay and collect taxes in the hands of elected Members of Congress, not in the hands of bureaucrats who are shielded from public accountability. It is appropriate, I believe, that the IRS's breach of authority is addressed, in light of the fact that we are celebrating this week Small Business Week.

The discretionary authority of the Internal Revenue Service exposes small businesses, farmers, and others to the arbitrary whims of bureaucrats, thus creating an uncertain and, under certain cases, hostile environment in which to conduct day-to-day activities. Most of these people do not have lobbyists that work for them, other than their elected Representatives, the way it should be. The Stealth Tax Prevention Act will be particularly helpful in lowering the tax burden on small business which suffers disproportionately. Mr. President, from IRS regulations. This burden discourages the startup of new firms and ultimately the creation of new jobs in the economy, which has really made America great today.

Americans pay Federal income taxes. They, Mr. President, as you well know, pay State income taxes. They pay property taxes. On the way to work in the morning they pay a gasoline tax when they fill up their car, and a sales tax when they buy a cup of coffee.

Mr. President, average Americans in small businesses are saddled with the highest tax burden in our country's history.

Allowing bureaucrats to increase taxes even further, at their own discretion through interpretation of the Tax Code is intolerable. The Stealth Tax Prevention Act will leave tax policy where it belongs, to elected Members of the Congress, not unelected and unaccountable IRS bureaucrats.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 831

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. CONGRESSIONAL REVIEW OF INTERNAL REVENUE SERVICE RULES THAT INCREASE REVENUE.

(a) SHORT TITLE.—This Act may be cited as the "Stealth Tax Prevention Act".

(b) IN GENERAL.—Section 804(2) of title 5, United States Code, is amended to read as follows:

“(2) The term ‘major rule’—

“(A) means any rule that—

“(i) the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

“(I) an annual effect on the economy of \$100,000,000 or more;

“(II) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

“(III) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets; or

“(ii) (I) is promulgated by the Internal Revenue Service; and

“(II) the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds that the implementation and enforcement of the rule has resulted in or is likely to result in any net increase in Federal revenues over current practices in tax collection or revenues anticipated from the rule on the date of the enactment of the statute under which the rule is promulgated; and

“(B) does not include any rule promulgated under the Telecommunications Act of 1996 and the amendments made by that Act.”.

Mr. BOND. Mr. President, I rise today to join my distinguished colleague from Alabama, Senator SHELBY, in introducing legislation to ensure that the Treasury Department's Internal Revenue Service does not usurp the power to tax—a power solely vested in Congress by the U.S. Constitution. The Stealth Tax Prevention Act will ensure that the duly elected representatives of the people, who are accountable to the electorate for our actions, will have discretion to exercise the power to tax. This legislation is intended to curb the ability of the Treasury Department to bypass Congress by proposing a tax increase without the authorization or consent of Congress.

The Stealth Tax Prevention Act builds on legislation passed unanimously by the Senate just over 1 year ago. As chairman of the Committee on Small Business, I authored the Small Business Regulatory Enforcement Fairness Act—better known as the Red Tape Reduction Act—to ensure that small businesses are treated fairly in agency rulemaking and enforcement activities. Subtitle E of the Red Tape Reduction Act provides that a final rule issued by a Federal agency and deemed a major rule by the Office of Information and Regulatory Affairs of the Office of Management and Budget

cannot go into effect for at least 60 days. This delay is to provide Congress with a window during which it can review the rule and its impact, allowing time for Congress to consider whether a resolution of disapproval should be enacted to strike down the regulation. To become effective, the resolution must pass both the House and Senate and be signed into law by the President or enacted as the result of a veto override.

The bill Senator SHELBY and I introduce today amends this law to provide that any rule issued by the Treasury Department's Internal Revenue Service that will result in a tax increase—any increase—will be deemed a major rule by OIRA and, consequently, not go into effect for at least 60 days. This procedural safeguard will ensure that the Department of the Treasury and its Internal Revenue Service cannot make an end-run around Congress, as it is currently attempting with the stealth tax it proposed on January 13.

As my colleagues are aware, the IRS has issued a proposal that is tantamount to a tax increase on businesses structured as limited liability companies. The IRS proposal disqualifies a taxpayer from being considered as a limited partner if he or she "participates in the partnership's trade or business for more than 500 hours during a taxable year" or is involved in a "service" partnership, such as lawyers, accountants, engineers, architects, and health-care providers.

The IRS alleges that its proposal merely interprets section 1402(a)(13) of the Tax Code, providing clarification, when in actuality it is a tax increase by regulatory fiat. Under the IRS proposal, disqualification as a limited partner will result in a tax increase on income from both capital investments as well as earnings of the partnership. The effect will be to add the self-employment tax—12.4 percent for social security and 2.9 percent for Medicare—to income from investments as well as earnings for limited partners that under current rules can exclude such income from the self-employment tax.

Under the bill introduced today, the tax increase proposed by the Internal Revenue Service of the Treasury Department, if later issued as a final rule, could not go into effect for at least 60 days following its publication in the Federal Register. This window, which coincides with issuance of a report by the Comptroller General, would allow Congress the opportunity to review the rule and vote on a resolution to disapprove the tax increase before it is applied to a single taxpayer.

The Stealth Tax Prevention Act strengthens the Red Tape Reduction Act and the vital procedural safeguards it provides to ensure that small businesses are not burdened unnecessarily by new Federal regulations. Congress enacted the 1966 provisions to strengthen the effectiveness of the Regulatory Flexibility Act, a law which had been ignored too often by Government agen-

cies, especially the Internal Revenue Service. Three of the top recommendations of the 1995 White House Conference on Small Business sought reforms to the way Government regulations are developed and enforced, and the Red Tape Reduction Act passed the Senate without a single dissenting vote on its way to being signed into law last year. Despite the inclusion of language in the 1996 amendments that expressly addresses coverage of IRS interpretative rules, we find ourselves faced again with an IRS proposal that was not issued in compliance with the Regulatory Flexibility Act.

As 18 of my Senate colleagues and I advised Secretary Rubin in an April letter, the proposed IRS regulation on limited partner taxation is precisely the type of rule for which a regulatory flexibility analysis should be done. Although, on its face, the rulemaking seeks merely to define a limited partner or to eliminate uncertainty in determining net earnings from self-employment, the real effect of the rule would be to raise taxes by executive fiat and expand substantially the spirit and letter of the underlying statute. The rule also seeks to impose on small businesses a burdensome new record-keeping and collection of information requirement that would affect millions of limited partners and members of limited liability companies. The Treasury's IRS proposes this stealth tax increase with the knowledge that Congress declined to adopt a similar tax increase in the Health Security Act proposed in 1994—a provision that the Congressional Joint Committee on Taxation estimated in 1994 would have resulted in a tax increase of approximately \$500 million per year.

The Stealth Tax Prevention Act would remove any incentive for the Treasury Department to underestimate the cost imposed by an IRS proposed or final rule in an effort to skirt the administration's regulatory review process or its obligations under the Regulatory Flexibility Act. By amending the definition of major rule under the Congressional Review Act, which is subtitle E of the Red Tape Reduction Act, we ensure that an IRS rule that imposes a tax increase will be a major rule, whether or not it has an estimated annual effect on the economy of \$100,000,000. Our amendment does not change the trigger for a regulatory flexibility analysis, which still will be required if a proposed rule would have a significant economic impact on a substantial number of small entities. We believe the heightened scrutiny of IRS regulations called for by this legislation will provide an additional incentive for the Treasury Department's Internal Revenue Service to meet all of its procedural obligations under the Regulatory Flexibility Act and the Red Tape Reduction Act.

I urge my colleagues to join Senator SHELBY and me in supporting this important legislation to ensure that the IRS not usurp the proper role of Con-

gress—nor skirt its obligations to identify the impact of its proposed and final rules. Rules such as that currently proposed by the IRS should be carefully scrutinized by Congress. When the Department of the Treasury issues a final IRS rule that increases taxes, Congress should have the ability to exercise its discretion to enact a resolution of disapproval before the rule is applicable to a single taxpayer. The Stealth Tax Prevention Act Senator SHELBY and I introduce today provides that opportunity.

By Mr. KOHL (for himself, Mr. KERREY, Mr. HARKIN, Mr. HATCH, Mr. HAGEL, and Mr. GRASSLEY):

S. 832. A bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service; to the Committee on Finance.

THE BUSINESS MEAL DEDUCTION FAIRNESS ACT  
OF 1997

Mr. KOHL. Mr. President, as my colleagues know, I am one of this body's strongest advocates for deficit reduction. I attribute much of my deep commitment to this goal to my days in business. As a businessman, I learned that you must balance your books and live within your means. I also learned that you must treat people fairly and admit when you have made a mistake. I have come to the floor to acknowledge that a mistake has been made, and must be corrected.

In August 1993 we passed the omnibus budget reconciliation bill. I am proud to say that this legislation has helped to produce falling deficits and sustained economic growth. However, in our efforts to get our fiscal house in order we unfairly penalized a group of hard working, middle-class Americans: transportation workers. It is for this reason that I rise today, to reintroduce the business meal deduction fairness bill. This measure would increase the deductibility of business meals, from 50 to 80 percent, for individuals who are required to eat away from home due to the nature of their work.

In the 1993 reconciliation bill was a provision which lowered the deductible portion of business meals and entertainment expenses from 80 to 50 percent. The change was aimed at the so-called three martini lunches and extravagant entertainment expenses of Wall Street financiers and Hollywood movie moguls. Unfortunately, the change also hit the average truck driver who eats chicken fried steak, hot roast beef sandwiches, and meatloaf in truck stops. And while those who entertain for business purposes can change their practices based on the tax law change, long-haul transportation workers often have no choice but to eat on the road.

For these workers, the 1993 decrease in the meal deduction has translated into an undeserved decrease in take home pay. For example, when the allowable deduction was dropped in 1993,

it increased taxes on an average truck driver \$700 to \$2,000 per year. This is a huge increase for a truck driver who normally earns \$27,000 to \$35,000 per year.

Our legislation would increase the take-home pay of hard working, middle-class Americans who were inadvertently hurt by changes in the tax law in 1993. Workers who, due to regulations limiting travel hours, must eat out. They have no control over the length of their trips, the amount of time they must rest during a delivery, or, in many cases, the places they can stop and eat. This legislation is straight forward. It would simply restore the business meal expense deduction to 80 percent for individuals subject to the Department of Transportation's hours-of-service limitations.

I will be the first to admit that the budget deficit is the No. 1 economic problem facing this country. Since being elected to the Senate, I have fought to eliminate this destructive drain on our ability to grow and compete in the world economy, but I have fought to do so in a fair manner. The 1993 reconciliation bill closed a loophole and unintentionally trapped some very hard working Americans. We need to acknowledge that a mistake was made and take the opportunity of a tax bill moving this year to fix that mistake. Therefore my colleagues, Senators KERREY, HARKIN, HATCH, HAGEL, GRASSLEY and I are requesting the support and assistance of this entire body to ensure that the business meal deduction fairness bill becomes law. Mr. President, I ask unanimous consent that a copy of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

#### S. 832

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. INCREASED DEDUCTIBILITY OF BUSINESS MEAL EXPENSES FOR INDIVIDUALS SUBJECT TO FEDERAL LIMITATIONS ON HOURS OF SERVICE.

(a) IN GENERAL.—Section 274(n) of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR INDIVIDUALS SUBJECT TO FEDERAL LIMITATIONS ON HOURS OF SERVICE.—In the case of any expenses for food or beverages consumed by an individual during, or incident to, any period of duty which is subject to the hours of service limitations of the Department of Transportation, paragraph (1) shall be applied by substituting ‘80 percent’ for ‘50 percent’.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1997.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. GLENN, and Mr. HATCH):

S. 833. A bill to designate the Federal building courthouse at Public Square and Superior Avenue in Cleveland, Ohio, as the “Howard M. Metzenbaum

United States Courthouse”; to the Committee on Environment and Public Works.

#### THE HOWARD M. METZENBAUM UNITED STATES COURTHOUSE DESIGNATION ACT OF 1997

Mr. LAUTENBERG. Mr. President, I rise today to congratulate my dear friend and former colleague, Howard Metzenbaum, on the occasion of his 80th birthday. In his honor, I am introducing a bill that would designate the Federal Building Courthouse in Cleveland, OH, as the “Howard M. Metzenbaum United States Courthouse.” I am joined by Ohio's two Senators, Senator GLENN and Senator DEWINE.

Mr. President, I propose naming a courthouse after Howard because a courthouse is a symbol of justice where all people can come and be treated equally under the law. Howard Metzenbaum deserves this honor because he was a dedicated public servant, who served his home State of Ohio for 18 years in the U.S. Senate. Howard's sense of fairness and equality for all Americans led one of his former colleagues to suggest that Howard would have made an exceptional U.S. Supreme Court Justice when he retired from the Senate in 1994.

Mr. President, naming a courthouse after Howard is only a small gesture in attempting to remember a man so committed to justice and fairness. Howard's contributions to the Senate are extraordinary, so we should commemorate his unique contribution by celebrating his 80th year, his 18 years in the United States Senate, and also the special character he brought to our body.

I pay tribute today to a man who always stood up for what he believed was right, fighting hard to preserve opportunity for those yet to come. As a Senator, Howard had a broad range of interests and he pursued them with dogged perseverance, sincerity, and clarity.

Howard and I worked on many issues together during our time in the Senate. Individual rights and environmental preservation were major concerns. He poured his energy into clean air protection, nuclear regulation, cleaning up superfund sites, and recycling. Howard provided strong leadership on antitrust issues as Chairman of the Subcommittee on Antitrust, Monopolies and Business Rights on the Judiciary Committee.

He was a persistent gun control advocate, taking the lead on many antigun initiatives in the Senate. He was one of the lead sponsors of the Brady bill handgun purchase waiting period, as well as the bans on assault weapons and plastic explosives.

But Howard's true passions lay with America's underprivileged and needy communities, which never had a bolder champion. His work on behalf of the poor, the disabled, and the elderly reflect his remarkable compassion for those members of society who face challenges that many of us cannot fully appreciate. He tirelessly defended

their interests and fought for their protection. He was dedicated to eradicating discrimination, ensuring adequate health care to those in need, and boosting public education. It has been said many times, but for good reason, that Howard brought not only his conscience to the Senate, but also the courage to act on his convictions.

Howard remains a good friend to me, but he was also a mentor and a teacher during his years in the Senate. He gave me good advice and plenty of it. And, I might add, he continues to do so today, which I welcome. But more than that, his dedication to the office of United States Senator is an example by which to live. He stood tall for the little people.

Some will affectionately remember Howard as determined, argumentative, and even “irascible.” I cannot deny that those words come to my mind every now and then, when describing Howard. He was always at his best then, and for good reason. I heard it said by one Senator, and not a good friend: “If there wasn't a Metzenbaum here, we'd have to invent one to keep us alert.”

I have missed working with Howard Metzenbaum in this great institution, a place that has been truly enhanced by his presence. I salute him on celebrating his 80th year.

I ask unanimous consent that the text of the bill appear at the appropriate place in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

#### S. 833

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. DESIGNATION OF HOWARD M. METZENBAUM UNITED STATES COURTHOUSE.

The Federal building courthouse at Public Square and Superior Avenue in Cleveland, Ohio, shall be known and designated as the “Howard M. Metzenbaum United States Courthouse”.

#### SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building courthouse referred to in section 1 shall be deemed to be a reference to the “Howard M. Metzenbaum United States Courthouse”.

By Mr. HARKIN (for himself and Mr. REED):

S. 834. A bill to amend the Public Health Service Act to ensure adequate research and education regarding the drug DES; to the Committee on Labor and Human Resources.

#### THE DES RESEARCH AND EDUCATION AMENDMENTS OF 1997

Mr. HARKIN. Mr. President, today I am pleased to be joined by my distinguished colleague from Rhode Island, Senator REED, in introducing an important women's health initiative. The DES Research and Education Amendments of 1997 would extend and expand our effort to assist the over 5 million Americans who have been exposed to

the drug, DES. Representative LOUISE SLAUGHTER, a long-time leader on this issue, is introducing companion legislation today in the other body.

Between 1938 and 1971, some 5 million American women were given the synthetic drug, diethylstilbestrol, commonly known as DES. Women were given the drug during pregnancy in the mistaken belief it would help prevent miscarriage. The drug was pulled from the market based on studies that found that it was ineffective and might result in damage to children born to the women who had been given it.

Since the 1970's, studies have shown that DES does damage the reproductive systems of those exposed in utero and increases these individuals' risk for cancer, infertility, and a wide range of other serious reproductive tract disorders. The women exposed in utero to DES are five times more likely to have an ectopic pregnancy and three times more likely to miscarry when they in turn try to have children. Studies also show that one of every thousand women exposed to DES in utero will develop clear cell cancer. Women who took DES have also been found to face a higher risk for breast cancer.

In 1992, while there had been a number of research studies on DES exposure and its effects, much more research was necessary. That year, President Bush signed legislation introduced by myself and Representative SLAUGHTER, that mandated a significant increase in DES research supported by the National Institutes of Health [NIH]. Our legislation also required NIH to support long-term studies of Americans impacted by this drug. Those studies are now underway and must be continued. The legislation we are introducing today will ensure that this critical medical research continues. In addition, there is now preliminary evidence that the grandkids of women who took DES may also be at higher risk for certain health problems, and this legislation would help ensure that further research into this is supported.

Another major problem in this area is that millions of Americans don't know the risks they face because of their exposure to DES. Many health professionals who see these people also lack sufficient information about DES exposure and the appropriate steps that should be taken to identify and assist their patients. As a result, many people do not seek or get the appropriate preventive care or take appropriate preventive measures to reduce their risks of adverse affects. For example, women exposed to DES in utero and therefore at higher risk of miscarriage may be able to reduce their risks with appropriate precautionary steps.

In an initial attempt to address this need for better information, our 1992 legislation required NIH to test ways to educate the public and health professionals about how to deal with DES exposure. The legislation we are intro-

ducing today would give people across the Nation access to the information developed through these pilot programs by requiring a national consumer and health professional education effort.

Mr. President, we took a very important step in 1992 to begin to address the significant problem presented by DES exposure. And we did it with strong bipartisan cooperation between a Democratic Congress and a Republican President. That legislation expires this year. We need to make sure that the progress we've made is continued. The 5 million Americans whose health is at risk are depending on us to work together to make sure that happens. I urge my colleagues to join me in support of that effort. I ask unanimous consent that a copy of the legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 834

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "DES Research and Education Amendments of 1997".

#### SEC. 2. FINDINGS.

With respect to diethylstilbestrol (a drug commonly known as DES), the Congress finds as follows:

(1) DES was widely prescribed to American women from 1938 to 1971 in the mistaken belief it would prevent miscarriage. Approximately 5,000,000 pregnant women took the drug, resulting in DES exposure for approximately 5,000,000 daughters and sons.

(2) Studies conducted since the 1970s have shown that DES damages the reproductive systems of those exposed in utero and increases the risk for cancer, infertility, and a wide range of other serious reproductive tract disorders. These disorders include a five-fold increased risk for ectopic pregnancy for DES daughters and a three-fold increase in risk for miscarriage and preterm labor. Studies have indicated that exposure to DES may increase the risk for autoimmune disorders and diseases.

(3) An estimated 1 in 1,000 women exposed to DES in utero will develop clear cell cancer of the vagina or cervix. While survival rates for clear cell cancer are over 80 percent when it is detected early, there is still no effective treatment for recurrences of this cancer.

(4) Studies also indicate a higher incidence of breast cancer among mothers who took DES during pregnancy.

(5) While research on DES and its effects has produced important advances to date, much more remains to be learned.

(6) Preliminary research results indicate that DES exposure may have a genetic impact on the third generation—the children of parents exposed to DES in utero—and that estrogen replacement therapy may not be advisable for DES-exposed women.

(7) All DES-exposed individuals have special screening and health care needs, especially during gynecological exams and pregnancy for DES daughters, who should receive high risk care.

(8) Many Americans remain unaware of their DES exposure or ignorant about proper health care and screening. There remains a great need for a national education effort to inform both the public and health care providers about the health effects and proper health care practices for DES-exposed individuals.

#### SEC. 3. REVISION AND EXTENSION OF PROGRAM FOR RESEARCH AND AUTHORIZATION OF NEW NATIONAL PROGRAM OF EDUCATION REGARDING DRUG DES.

(a) PERMANENT EXTENSION OF GENERAL PROGRAM.—Section 403A(e) of the Public Health Service Act (42 U.S.C. 283a(e)) is amended by striking "for each of the fiscal years 1993 through 1996" and inserting "for fiscal year 1997 and each subsequent fiscal year".

(b) NATIONAL PROGRAM FOR EDUCATION OF HEALTH PROFESSIONALS AND PUBLIC.—From amounts appropriated for carrying out section 403A of the Public Health Service Act (42 U.S.C. 283a), the Secretary of Health and Human Services, acting through the heads of the appropriate agencies of the Public Health Service, shall carry out a national program for the education of health professionals and the public with respect to the drug diethylstilbestrol (commonly known as DES). To the extent appropriate, such national program shall use methodologies developed through the education demonstration program carried out under such section 403A. In developing and carrying out the national program, the Secretary shall consult closely with representatives of nonprofit private entities that represent individuals who have been exposed to DES and that have expertise in community-based information campaigns for the public and for health care providers. The implementation of the national program shall begin during fiscal year 1998.

By Mr. ABRAHAM (for himself, Mr. MCCONNELL, Mr. COVERDELL, Mr. SANTORUM, Mr. MCCAIN and Mr. ASHCROFT):

S. 836. A bill to offer small businesses certain protections from litigation excesses; to the Committee on the Judiciary.

#### THE SMALL BUSINESS LAWSUIT ABUSE PROTECTION ACT OF 1997

Mr. ABRAHAM. Mr. President, I rise today to introduce the Small Business Lawsuit Abuse Protection Act of 1997. This bill will provide targeted relief from litigation excesses to small businesses.

Small businesses in Michigan and across the Nation have faced increasingly burdensome litigation and desperately need relief from unwarranted and costly lawsuits. While other sectors of our society and our economy also need relief from litigation excesses, small businesses by their very nature are particularly vulnerable to lawsuit abuses and especially unable to bear the high costs of unjustified and unfair litigation against them.

As this week is Small Business Week, it provides a fine opportunity for us to focus on relieving the burdens faced by small businesses. Small businesses represent the engine of our growing economy and provide countless benefits to communities across America. The Research Institute for Small and Emerging Business, for example, has estimated that there are over 20 million small businesses in America and that small businesses generate 50 percent of the country's private sector output.

When I was in Michigan last week over the Memorial Day recess, I heard story after story from small businesses about the constraints, limitations, and

fear imposed on them by the threat of abusive and unwarranted litigation. I also heard about the high costs that they must pay for liability insurance. Those represent costs that could be going to expand small businesses, to provide more jobs, or to offer more benefits. According to a recent Gallup survey, one out of every five small businesses decides not to hire more employees, expand its business, introduce a new product, or improve an existing one out of fear of lawsuits.

Before the Memorial Day recess, Congress passed the Volunteer Protection Act, which—if signed by the President—will provide specific protections from abusive litigation to volunteers. The Senate passed that legislation by an overwhelming margin of 99 to 1. That legislation provides a model for further targeted reforms for sectors that are particularly hard hit and in need of immediate relief.

Small businesses have carried an often unbearable load from unwarranted and unjustified lawsuits. Data from San Diego's superior court published by the Washington Legal Foundation revealed that punitive damages were requested in 41 percent of suits against small businesses. It is unfathomable that such a large proportion of our small businesses are engaging in the sort of egregious misconduct that would warrant a claim of punitive damages. Unfortunately, those sort of findings are not unusual. The National Federation of Independent Business has reported that 34 percent of Texas small business owners have been sued or threatened with court action seeking punitive damages. Those figures are outrageously high and simply cannot have anything to do with actual wrongdoing.

We know of far too many examples of expensive and ridiculous legal threats faced by our small businesses that they must defend every day. In a case reported by the American Consulting Engineers Council, a drunk driver had an accident after speeding and bypassing detour signs. Eight hours after the crash, the driver had a blood alcohol level of 0.09. The driver sued the engineering firm that designed the road, the contractor, the subcontractor, and the State highway department. Five years later, and after expending exorbitant amounts on legal fees, the defendants settled the case for \$35,000. The engineering firm—a small 15 person firm—was swamped with over \$200,000 in legal costs. That represents an intolerable amount for a small business to have to pay in defending a questionable and unwarranted lawsuit.

There are more examples. In an Ann Landers column from October 1995, a case was reported that involved a minister and his wife who sued a guide dog school for \$160,000 after a blind man who was learning to use a seeing-eye dog stepped on the woman's toes in a shopping mall. The guide dog school, Southeastern Guide Dogs, Inc., which provided the instructor supervising the

man, was the only school of its kind in the Southeast. It trains seeing-eye dogs at no cost to the visually impaired. The couple filed their lawsuit 13 months after the so-called accident, in which witnesses reported that the woman did not move out of the blind man's way because she wanted to see if the dog would walk around her.

The experiences of a small business in Michigan, the Michigan Furnace Co., is likewise alarming. The lawsuit in the history of her company has been a nuisance lawsuit. She indicates that if the money the company spends on liability insurance and legal fees was distributed among the employees, it would amount to a \$10,000 annual raise per employee.

These costs are stifling our small businesses and the people who work there. The straightforward provisions of the Small Business Lawsuit Abuse Protection Act will provide small businesses with relief by discouraging abusive litigation. The bill contains essentially two principal reforms.

First, the bill limits punitive damages that may be awarded against a small business. In most civil lawsuits against small businesses, punitive damages would be available against the small business only if the claimant proves by clear and convincing evidence that the harm was caused by the small business through at least a conscious, flagrant indifference to the rights and safety of the claimant. Punitive damages would also be limited in amount. Punitive damages would be limited to the lesser of \$250,000 or two times the compensatory damages awarded for the harm. That formulation is exactly the same formulation that appears in the small business protection provision that was included in the product liability conference report that passed in the 104th Congress.

Second, joint and several liability reforms for small businesses are included under the exact same formulation that was used both in the Volunteer Protection Act passed this Congress and in the product liability conference report passed last Congress. Joint and several liability would be limited so that a small business would be liable for noneconomic damages only in proportion to the small business's responsibility for causing the harm. If a small business is responsible for 100% of an accident, then it will be liable for 100% of noneconomic damages. But if it is only 70%, 25%, 10%, or any other amount responsible, then the small business will be liable only for that same percent of noneconomic damages.

Of course, small businesses would still be jointly and severally liable for economic damages, and any other defendants in the action that were not small businesses could be held jointly and severally liable for all damages. This should provide some protection to small businesses so that they will not be sought out as "deep pocket" defendants by trial lawyers who would otherwise try to get them on the hook for

harms that they have not caused. The fact is that many small businesses simply do not have deep pockets, and they frequently need all of their resources just to stay in business, take care of their employees, and make ends meet.

The other provisions in the bill specify the situations in which those reforms apply. The bill defines small business as any business having fewer than 25 employees. That is the same definition of small business that was included in the Product Liability Conference Report. Like the Volunteer Protection Act, this bill covers all civil lawsuits with the exception of suits involving certain types of egregious conduct. The limitations on liability included in the bill would not apply to any misconduct that constitutes a crime of violence, act of international terrorism, hate crime, sexual offense, or civil rights law violation, or which occurred while the defendant was under the influence of intoxicating alcohol or any drug.

Also like the Volunteer Protection Act, the bill includes a State opt-out. A State would be able to opt out of the provisions of the bill provided the State enacts a law indicating its election to do so and containing no other provisions. I do not expect that any State will opt-out of these provisions, but I feel it is important to include one out of respect for principles of federalism.

I am pleased to have Senators MCCONNELL, COVERDELL, SANTORUM and MCCAIN as original cosponsors of the legislation and very much appreciate their support for our small businesses and for meaningful litigation reforms. The bill is also supported by the National Federation of Independent Business and by the National Restaurant Association. I ask unanimous consent that letters from those two organizations be inserted in the RECORD.

Finally, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD, as well as the full text of the bill, and I encourage my colleagues to support this simple and much-needed legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 836

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### **SECTION 1. SHORT TITLE.**

This Act may be cited as the "Small Business Lawsuit Abuse Protection Act of 1997".

#### **SEC. 2. FINDINGS.**

Congress finds that—

- (1) the United States civil justice system is inefficient, unpredictable, unfair, costly, and impedes competitiveness in the marketplace for goods, services, business, and employees;
- (2) the defects in the civil justice system have a direct and undesirable effect on interstate commerce by decreasing the availability of goods and services in commerce;
- (3) there is a need to restore rationality, certainty, and fairness to the legal system;
- (4) the spiralling costs of litigation and the magnitude and unpredictability of punitive

damage awards and noneconomic damage awards have continued unabated for at least the past 30 years;

(5) the Supreme Court of the United States has recognized that a punitive damage award can be unconstitutional if the award is grossly excessive in relation to the legitimate interest of the government in the punishment and deterrence of unlawful conduct;

(6) just as punitive damage awards can be grossly excessive, so can it be grossly excessive in some circumstances for a party to be held responsible under the doctrine of joint and several liability for damages that party did not cause;

(7) as a result of joint and several liability, entities including small businesses are often brought into litigation despite the fact that their conduct may have little or nothing to do with the accident or transaction giving rise to the lawsuit, and may therefore face increased and unjust costs due to the possibility or result of unfair and disproportionate damage awards;

(8) the costs imposed by the civil justice system on small businesses are particularly acute, since small businesses often lack the resources to bear those costs and to challenge unwarranted lawsuits;

(9) due to high liability costs and unwarranted litigation costs, small businesses face higher costs in purchasing insurance through interstate insurance markets to cover their activities;

(10) liability reform for small businesses will promote the free flow of goods and services, lessen burdens on interstate commerce, and decrease litigiousness; and

(11) legislation to address these concerns is an appropriate exercise of Congress powers under Article I, section 8, clauses 3, 9, and 18 of the Constitution, and the fourteenth amendment to the Constitution.

### SEC. 3. DEFINITIONS.

In this Act:

(1) **ACT OF INTERNATIONAL TERRORISM.**—The term “act of international terrorism” has the same meaning as in section 2331 of title 18, United States Code.

(2) **CRIME OF VIOLENCE.**—The term “crime of violence” has the same meaning as in section 16 of title 18, United States Code.

(3) **DRUG.**—The term “drug” means any controlled substance (as that term is defined in section 102 of the Controlled Substances Act (21 U.S.C. 802(b)) that was not legally prescribed for use by the defendant or that was taken by the defendant other than in accordance with the terms of a lawfully issued prescription.

(4) **ECONOMIC LOSS.**—The term “economic loss” means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

(5) **HARM.**—The term “harm” includes physical, nonphysical, economic, and noneconomic losses.

(6) **HATE CRIME.**—The term “hate crime” means a crime described in section 1(b) of the Hate Crime Statistics Act (28 U.S.C. 534 note).

(7) **NONECONOMIC LOSSES.**—The term “noneconomic losses” means losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), injury to reputation, and all other nonpecuniary losses of any kind or nature.

(8) **SMALL BUSINESS.**—

(A) **IN GENERAL.**—The term “small business” means any unincorporated business, or

any partnership, corporation, association, unit of local government, or organization that has less than 25 full-time employees.

(B) **CALCULATION OF NUMBER OF EMPLOYEES.**—For purposes of subparagraph (A), the number of employees of a subsidiary of a wholly-owned corporation includes the employees of—

(i) a parent corporation; and

(ii) any other subsidiary corporation of that parent corporation.

(10) **STATE.**—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, any other territory or possession of the United States, or any political subdivision of any such State, territory, or possession.

### SEC. 4. LIMITATION ON PUNITIVE DAMAGES FOR SMALL BUSINESSES.

(a) **GENERAL RULE.**—Except as provided in section 6, in any civil action against a small business, punitive damages may, to the extent permitted by applicable State law, be awarded against the small business only if the claimant establishes by clear and convincing evidence that conduct carried out by that defendant through willful misconduct or with a conscious, flagrant indifference to the rights or safety of others was the proximate cause of the harm that is the subject of the action.

(b) **LIMITATION ON AMOUNT.**—In any civil action against a small business, punitive damages shall not exceed the lesser of—

(1) two times the total amount awarded to the claimant for economic and noneconomic losses; or

(2) \$250,000.

(c) **APPLICATION BY COURT.**—This section shall be applied by the court and shall not be disclosed to the jury.

### SEC. 5. LIMITATION ON SEVERAL LIABILITY FOR NONECONOMIC LOSS FOR SMALL BUSINESSES.

(a) **GENERAL RULE.**—Except as provided in section 6, in any civil action against a small business, the liability of each defendant that is a small business, or the agent of a small business, for noneconomic loss shall be determined in accordance with subsection (b).

(b) **AMOUNT OF LIABILITY.**—

(1) **IN GENERAL.**—In any civil action described in subsection (a)—

(A) each defendant described in that subsection shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant (determined in accordance with paragraph (2)) for the harm to the claimant with respect to which the defendant is liable; and

(B) the court shall render a separate judgment against each defendant described in that subsection in an amount determined pursuant to subparagraph (A).

(2) **PERCENTAGE OF RESPONSIBILITY.**—For purposes of determining the amount of noneconomic loss allocated to a defendant under this section, the trier of fact shall determine the percentage of responsibility of each person responsible for the harm to the claimant, regardless of whether or not the person is a party to the action.

### SEC. 6. EXCEPTIONS TO LIMITATIONS ON LIABILITY.

The limitations on liability under sections 4 and 5 do not apply to any misconduct of a defendant—

(1) that constitutes—

(A) a crime of violence;

(B) an act of international terrorism; or

(C) a hate crime;

(2) that involves—

(A) a sexual offense, as defined by applicable State law; or

(B) a violation of a Federal or State civil rights law; or

(3) if the defendant was under the influence (as determined pursuant to applicable State law) of intoxicating alcohol or a drug at the time of the misconduct, and the fact that the defendant was under the influence was the cause of any harm alleged by the plaintiff in the subject action.

### SEC. 7. PREEMPTION AND ELECTION OF STATE NONAPPLICABILITY.

(a) **PREEMPTION.**—Subject to subsection (b), this Act preempts the laws of any State to the extent that State laws are inconsistent with this Act, except that this Act shall not preempt any State law that provides additional protections from liability for small businesses.

(b) **ELECTION OF STATE REGARDING NON-APPLICABILITY.**—This Act does not apply to any action in a State court against a small business in which all parties are citizens of the State, if the State enacts a statute—

(1) citing the authority of this subsection;

(2) declaring the election of such State that this Act does not apply as of a date certain to such actions in the State; and

(3) containing no other provision.

### SEC. 8. EFFECTIVE DATE.

(a) **IN GENERAL.**—This Act shall take effect 90 days after the date of enactment of this Act.

(b) **APPLICATION.**—This Act applies to any claim for harm caused by an act or omission of a small business, if the claim is filed on or after the effective date of this Act, without regard to whether the harm that is the subject of the claim or the conduct that caused the harm occurred before such effective date.

### SECTION-BY-SECTION ANALYSIS—THE SMALL BUSINESS LAWSUIT ABUSE PROTECTION ACT OF 1997

#### SECTION 1. SHORT TITLE

This section provides that the act may be cited as the “Small Business Lawsuit Abuse Protection Act of 1997.”

#### SECTION 2. FINDINGS

This section sets out congressional findings concerning the litigation excesses facing small businesses, and the need for litigation reforms to provide certain protections to small businesses from abusive litigation.

#### SECTION 3. DEFINITIONS

Various terms used in the bill are defined in the section. Significantly, for purposes of the legislation, a small business is defined as any business or organization with fewer than 25 full time employees.

#### SECTION 4. LIMITATION ON PUNITIVE DAMAGES FOR SMALL BUSINESSES

The bill provides that punitive damages may, to the extent permitted by applicable State law, be awarded against a defendant that is a small business only if the claimant establishes by clear and convincing evidence that conduct carried out by that defendant with a conscious, flagrant indifference to the rights or safety of others was the proximate cause of the harm that is the subject of the action.

The bill also limits the amount of punitive damages that may be awarded against a small business. In any civil action against a small business, punitive damages may not exceed the lesser of two times the amount awarded to the claimant for economic and noneconomic losses, or \$250,000.

#### SECTION 5. LIMITATION ON SEVERAL LIABILITY FOR NONECONOMIC LOSS FOR SMALL BUSINESSES

This section provides that, in any civil action against a small business, for each defendant that is a small business, the liability of that defendant for noneconomic loss will be in proportion to that defendant's responsibility for causing the harm. Those defendants would continue, however, to be held



jointly and severally liable for economic loss. In addition, any other defendants in the action that are not small businesses would continue to be held jointly and severally liable for both economic and noneconomic loss.

#### SECTION 6. PREEMPTION AND ELECTION OF STATE NONAPPLICABILITY

The bill preempts State laws to the extent that any such laws are inconsistent with it, but it does not preempt any State law that provides additional protections from liability to small businesses. The bill also includes an opt-out provision for the States. A State may opt out of the provisions of the bill for any action in State court against a small business in which all parties are citizens of the State. In order to opt out, the State would have to enact a statute citing the authority in this section, declaring the election of the State to opt out, and containing no other provisions.

#### SECTION 7. EXCEPTIONS TO LIMITATIONS ON LIABILITY

The limitations on liability included in the bill would not apply to any misconduct that constitutes a crime of violence, act of international terrorism, hate crime, sexual offense, or civil rights law violation, or which occurred while the defendant was under the influence of intoxicating alcohol or any drug.

#### SECTION 8. EFFECTIVE DATE

The bill would take effect 90 days after the date of enactment, and would apply to claims filed on or after the effective date.

#### NATIONAL FEDERATION OF INDEPENDENT BUSINESS, Washington, DC, June 4, 1997.

Hon. SPENCER ABRAHAM,  
U.S. Senate,  
Washington, DC

DEAR SENATOR ABRAHAM: On behalf of the 600,000 small business owners of the National Federation of Independent Business (NFIB), I am writing to commend you for your efforts to put an end to abusive litigation and restore common sense to our civil justice system.

Legal reform is a small business issue and was listed as a top priority at the 1995 White House Conference on Small Business. The frequency and cost of litigation have been exploding at an alarming rate. Our civil justice system is becoming increasingly inaccessible, unaffordable and intimidating, not to mention unfair. It is now so strained that it threatens not only the fair judicial process but also has become a huge disincentive to business start-ups. The cost and availability of liability insurance was listed as a top concern to small business owners in a survey conducted recently by the NFIB Education Foundation.

Small business owners now see the legal system as a "no win" situation. If sued—even if completely innocent—it means either a costly, protracted trial or being forced into an expensive settlement to avoid a trial. Thousands of small business owners across the country are having their business, their employees, and their future put at risk by a legal system that is out of control.

Small business owners support any measures that inject more fairness into our civil justice system and allow for the affordable pursuit—or defense—of legitimate cases. Your legislation, the Small Business Lawsuit Abuse Protection Act of 1997, is an important vehicle for those goals. With our courts facing an extraordinary backlog with delays up to several years in some jurisdictions, your bill will discourage frivolous or malicious cases, and help streamline and balance the system.

Thank you for your continued support of small business.

Sincerely,

DAN DANNER,  
Vice President, Federal  
Governmental Relations.

#### NATIONAL RESTAURANT ASSOCIATION, Washington, DC, June 4, 1997.

Hon. SPENCE ABRAHAM,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR ABRAHAM: The National Restaurant Association—the leading representative for the nation's restaurant industry which employs more than nine million Americans—strongly applauds your effort to protect small businesses from litigation excesses.

Many small businesses, particularly restaurants, have become vulnerable to excessive litigation in recent years. Indeed, our members are all too familiar with the rising costs of liability insurance and with the reality that a single frivolous lawsuit can be enough to drive a restaurant out of business. We strongly support the Small Business Lawsuit Abuse Protection Act of 1997 and believe it will go a long way toward curbing lawsuit abuse.

Because of the fear of unlimited punitive damages when faced with a claim, many small business owners settle out of court for significant award amounts, even if the plaintiff's claim is frivolous and unwarranted. Plaintiffs' attorneys take advantage of a small business owner's fear, pursuing claims against businesses that they know will have "settlement value." The Small Business Lawsuit Abuse Protection Act limits the amount of punitive damages that may be awarded against a small business. In any civil action against a small business, punitive damages may not exceed the lesser of two times the amount awarded to the claimant for economic and noneconomic losses, or \$250,000. Putting a cap on the amount of punitive damages would help to reduce frivolous suits and would enable businesses to obtain more equitable settlements and avoid costly and unnecessary legal fees.

In addition to limiting punitive damages, we are pleased that your legislation includes a provision to limit several liability for noneconomic damages. Under joint and several liability, small business owners are often dragged into lawsuits with which they had little, or nothing, to do. The Abraham Small Business Lawsuit Abuse Protection Act takes an important first step by limiting the liability for noneconomic loss to the proportion of the small business' responsibility. The limitation on several liability would apply in any civil action against a small business.

Senator Abraham, we appreciate your continued commitment to small business and to legal reform. We look forward to working with you to pass the Small Business Lawsuit Abuse Protection Act.

Sincerely,

ELAINE Z. GRAHAM,  
Senior Vice President,  
Government Relations  
and Membership.

CHRISTINA M. HOWARD,  
Senior Legislative Representative.

Mr. MCCONNELL. Mr. President, I rise today to join my esteemed colleague from Michigan in the introduction of the Small Business Lawsuit Abuse Protection Act of 1997.

Over the past 30 years, the American civil justice system has become inefficient, unpredictable, and costly. Con-

sequently, I have spent a great deal of my time in the U.S. Senate working to reform the legal system. I was particularly pleased to help lead in the efforts to pass the Volunteer Protection Act, which offers much-needed litigation protection for our country's battalion of volunteers. America's litigation crisis, however, goes well beyond our volunteers.

Lawsuits and the mere threat of lawsuits impede our country's invention, innovation, and the competitive position our Nation has enjoyed in the world marketplace. The litigation craze has several perverse effects. For example, it discourages the production of more and better products, while encouraging the production of more and more attorneys. In the 1950's, there was one lawyer for every 695 Americans. Today, in contrast, there is one lawyer for every 290 people. In fact, we have more lawyers per capita than any other western democracy.

Mr. President, don't get me wrong—there is nothing inherently wrong with being a lawyer. I am proud to be a graduate of the University of Kentucky College of Law. My point, however, is simple: government and society should promote a world where it is more desirable to create goods and services than it is to create lawsuits.

The chilling effects of our country's litigation epidemic are felt throughout our national economy—especially by our small businesses. We must act to remove the litigation harness from the backs of our small businesses.

The Small Business Lawsuit Abuse Protection Act is a narrowly crafted bill which seeks to restore some rationality, certainty, and civility to the legal system. Specifically, this bill would offer limited relief to businesses or organizations that have fewer than 25 full-time employees.

First, the bill seeks to provide some reasonable limits on punitive damages, which typically serve as a windfall to plaintiffs. The bill provides that punitive damages may be awarded against a small business only if the claimant establishes by clear and convincing evidence that the business engaged in wanton or willful conduct. The bill would also limit the amount of punitive damages that may be awarded against a small business to, the lesser of: First, \$250,000, or second, two times the amount awarded to the claimant for economic and noneconomic losses. Third, the bill provides that a business' responsibility for noneconomic losses would be in proportion to the business' responsibility for causing the harm. Any other defendants in the action who are not small businesses would continue to be held jointly and severally liable.

Now, let me explain what this bill does not do. It does not close the courthouse door to plaintiffs who sue small businesses. For example, this bill does not limit a plaintiff's ability to sue a small business for an act of negligence, or any other act, for that matter. The

bill also does not abolish joint and several liability for economic losses.

Mr. President, this is a sensible, narrowly tailored piece of legislation that is greatly needed to free up the enterprising spirit of our small businesses. I look forward to Senate's consideration of this important legislation.

Mr. COVERDELL. Mr. President, I rise today to join my good friend, Senator ABRAHAM, in introducing the Small Business Lawsuit Abuse Protection Act. As a member of the Senate's Small Business Committee, I have focused on helping small businesses succeed in an increasingly competitive environment.

Small businesses are vulnerable to abusive lawsuits. Take for example the case of Dixie Flag Manufacturing, a small business in Texas that manufactures American flags. The company was named in an injury lawsuit claiming it manufactured an unreasonably dangerous product—a flag—that failed to carry proper instructions or warning labels. Ironically, Dixie Flag Manufacturing did not even make the flag involved in the injury prompting the lawsuit. In fact, its only connection to the incident was that it happened to be in the business of manufacturing American flags. Nevertheless, this small family-owned business was forced to settle out of court in order to avoid large legal fees.

The cost of obtaining product liability insurance has skyrocketed over the last 20 years, and small businesses have been disproportionately affected. A recent Gallup survey found that the fear of lawsuits drove 20 percent of small businesses not to hire more employees, expand the business, introduce a new product, or improve an existing one.

I recently authored the Volunteer Protection Act to shield volunteers from unreasonable and costly lawsuits, and it received overwhelming support in Congress because it takes real action to promote voluntarism. Frivolous and absurd lawsuits are having a chilling effect on the volunteer community. Consequently, the Volunteer Protection Act deserves the President's unqualified support.

The Gallup study demonstrates that the threat of frivolous lawsuits is having a similar chilling effect on small business. Simply put, the Small Business Lawsuit Abuse Protection Act, which has been modeled after the Volunteer Protection Act, would provide needed protections for small businesses from abusive and frivolous lawsuits.

Let me take this opportunity to briefly describe how the Small Business Lawsuit Abuse Protection Act would protect small businesses, specifically those with fewer than 25 full-time employees.

First, it would require that clear and convincing evidence of gross negligence must be present before punitive damages could be awarded against a small business. Second, it would place sensible limits on punitive damages, which could potentially bankrupt a

small business. Third, it would provide for proportionate liability for small business.

It is important to note that this legislation would give States the flexibility to impose conditions and to make exceptions to the granting of liability protection. In addition, it would allow States to opt for cases where all parties are citizens of that State.

Finally, it is important to note that the bill clearly states which actions would not entitle a small business to protection. Any misconduct constituting a crime of violence, an act of international terrorism, a hate crime, a sexual offense, or a civil rights violation or misconduct occurring while under the influence of alcohol or drugs would not be covered.

Mr. President, this is Small Business Week. Accordingly, all citizens should take a moment during this year's Small Business Week to recognize our economy's dependence on small business and realize the importance of nurturing their development. For Georgia, as is the case for the whole Nation, small businesses are the jobs provider and the backbone of our economy. The Small Business Administration reports that nearly 98 percent of the firms in Georgia that provide employment are small businesses. Moreover, it is estimated there are an additional 213,000 self-employed entrepreneurs in my State.

What better time to highlight the importance of providing small business much-needed relief from abusive lawsuits than during Small Business Week? I urge my colleagues to join us in supporting the Small Businesses Lawsuit Abuse Protection Act and in protecting small businesses from abusive litigation.

By Mr. CAMPBELL (for himself, Mr. HATCH, and Mr. CRAIG):

S. 837. A bill to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms and to allow States to enter into compacts to recognize other States' concealed weapons permits; to the Committee on the Judiciary.

#### CONCEALED WEAPONS PERMITS LEGISLATION

Mr. CAMPBELL. Mr. President, today I am pleased to be joined by the chairman of the Judiciary Committee, Senator HATCH and Senator CRAIG as original cosponsors of this legislation.

This bill would both authorize States to recognize each other's concealed weapons laws and would exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms. This legislation is designed to support the rights of States and to facilitate the right of law-abiding citizens as well as law enforcement officers to protect themselves, their families, and their property.

The language of this bill is similar to a provision in S. 3, the Omnibus Crime Control Act of 1997, introduced earlier

this year by the chairman of the Senate Judiciary Committee, Senator HATCH. In light of the importance of this provision to law-abiding gunowners and law enforcement officers, I am introducing this free-standing bill today for the Senate's consideration and prompt action.

This bill allows States to enter into agreements known as compacts to recognize the concealed weapons laws of those States included in the compacts. This is not a Federal mandate; it is strictly voluntary for those States interested in this approach. States would also be allowed to include provisions which best meet their needs, such as special provisions for law enforcement personnel.

This legislation would allow anyone possessing a valid permit to carry a concealed firearm in their respective State to also carry one in another State, provided that the States have entered into a compact agreement which recognizes the host State's right-to-carry laws. This is needed if you want to protect the security individuals enjoy in their own State when they travel or simply cross State lines to avoid a crazy quilt of differing laws.

I use my own experience in Colorado as a former deputy sheriff and as a person who just lives 9 miles from the New Mexico border and within an hour's drive of both Arizona and Utah as a person who is caught in this kind of crazy quilt. I have always been a law-abiding citizen. I have a permit to carry a gun in Colorado, but if I go south just 5 minutes into New Mexico, I have to comply with a different standard, and this bill would correct this different standard.

Currently, a Federal standard governs the conduct of nonresidents in those States that do not have a right-to-carry statute. Many of us in this body have always strived to protect the interests of States and communities by allowing them to make important decisions on how their affairs should be conducted. We are taking to the floor almost every day to talk about mandating certain things to the States. This bill would allow States to decide for themselves.

Specifically, it allows that the law of each State govern conduct within that State where the State has a right-to-carry statute, and States determine through a compact agreement which out-of-State right-to-carry statute will be recognized.

To date, 31 States have passed legislation making it legal to carry concealed weapons. These State laws enable citizens of those States to exercise their right to protect themselves, their families, and their property.

Applicants, of course, must be law-abiding citizens and pass their State's firearm training requirements. In my State of Colorado, the State legislature has passed a bill which puts into place statewide uniform standards for concealed weapons permits.

The second major provision of this bill would allow qualified current and

former law enforcement officers who are carrying appropriate written identification of that status to be exempt from State laws that prohibit the carrying of concealed weapons. This provision sets forth a checklist of stringent criteria that law enforcement officers must meet in order to qualify for this exemption status. Exempting qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed weapons, I believe, would add additional forces to our law enforcement community in our unwavering fight against crime.

I share the view of the Judiciary Committee chairman, Senator HATCH, as reflected in his legislation, that the need to establish greater national uniformity concerning the entitlement of active and retired law enforcement officers to carry weapons across State lines is paramount. That is why I have included this provision in this bill. To our friends who do not believe in the right to bear arms, I recommend reading this morning's Washington Post. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 5, 1997]

SEVEN SLAIN IN DISTRICT IN 36 HOURS OF VIOLENCE

(By Brian Moar and Avis Thomas-Lester)

Two men were fatally shot yesterday in separate incidents in Southeast Washington in a deadly 36-hour period in which seven people were killed in the city, police said.

At least four other people were wounded by gunfire.

the unusual flurry of violence stretched the resources of the D.C. police homicide branch, sending investigators from one end of Washington to the other as reports came in about shootings.

"Everybody has their hands full, running here and running there," Sgt. Marvin Lyons, a homicide squad supervisor, said last night.

"My detectives have been working around the clock and on the multitude of different cases, and then this latest group of homicides happens," said Capt. Alan Dreher, head of the homicide unit for the last two years. "I don't know if it's a record, but it is certainly the highest number of homicides I've seen in a 24- or 36-hour period since I've been commander of homicide."

The latest shooting occurred about 11 p.m. in the Washington Highlands neighborhood in far Southeast Washington. Police said that a woman and two men were shot and wounded by gunfire in the 4200 block of Sixth Street SE.

That scene was not far from a shooting about eight hours earlier that left one man dead near Sixth and Chesapeake Streets SE.

Another man was killed about 1:30 p.m. yesterday near the Kentucky Courts apartment complex in the 200 block of Kentucky Avenue SE.

The names of those shot, including a man wounded on 50th Street NE about 9 p.m., had not been released last night.

While keeping up with the two fatal shootings yesterday, homicide detectives were investigating Tuesday's fatal shootings of three young men in Northeast Washington and the discovery of two bodies in Northwest.

Officers on patrol in the 5800 block of Blaine Street NE about 4 p.m. Tuesday saw

what appeared to be two men sitting in a car in an alley. But when the officers checked on them, officials said, they discovered that both men had been shot several times.

They were identified as Norman Isaac, 18, of the 100 block of 59th Street NE, and William Alonzo Powell III, 23, of the 100 block of 58th Place NE, police said.

Later Tuesday, Bernard Campbell Allen, 17, was shot multiple times about 11 p.m. at 16th and E streets NE. Allen, of the 9300 block of Edmonston Road in Greenbelt, was taken to D.C. General Hospital, where he was pronounced dead a few hours later, police said.

About 9 a.m. Tuesday, police found the body of an unidentified woman who had been stabbed to death and left in an alley in Columbia Heights. Later in the day, the body of an unidentified man was found in the trunk of a car in the 1400 block of Chapin Street NW.

Mr. CAMPBELL. This appeared this morning, and is a story about seven people slain in violence in the last 36 hours in Washington, DC, four or more wounded in just that same 36-hour period. And I would point out that this is a city that has the tightest gun control laws in the Nation, so tight in fact that not a Senator or Congressman, not a Supreme Court Justice, for that matter, can carry a concealed weapon. It seems like only the bad guys can carry them in this town.

I do ask unanimous consent that Senator HATCH be added as an original cosponsor to this bill and it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 837

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Law Enforcement Protection Act of 1997".

**SEC. 2. EXEMPTION OF QUALIFIED CURRENT AND FORMER LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.**

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

**"§ 926B. Carrying of concealed firearms by qualified current and former law enforcement officers**

"(a) IN GENERAL.—Notwithstanding any provision of the law of any State or any political subdivision of a State, an individual may carry a concealed firearm if that individual is—

"(1) a qualified law enforcement officer or a qualified former law enforcement officer; and

"(2) carrying appropriate written identification.

"(b) EFFECT ON OTHER LAWS.—

"(1) COMMON CARRIERS.—Nothing in this section shall be construed to exempt from section 46505(B)(1) of title 49—

"(A) a qualified law enforcement officer who does not meet the requirements of section 46505(D) of title 49; or

"(B) a qualified former law enforcement officer.

"(2) FEDERAL LAWS.—Nothing in this section shall be construed to supersede or limit any Federal law or regulation prohibiting or restricting the possession of a firearm on any Federal property, installation, building, base, or park.

"(3) STATE LAWS.—Nothing in this section shall be construed to supersede or limit the laws of any State that—

"(A) grant rights to carry a concealed firearm that are broader than the rights granted under this section;

"(B) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

"(C) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

"(4) DEFINITIONS.—In this section:

"(A) APPROPRIATE WRITTEN IDENTIFICATION.—The term 'appropriate written identification' means, with respect to an individual, a document that—

"(i) was issued to the individual by the public agency with which the individual serves or served as a qualified law enforcement officer; and

"(ii) identifies the holder of the document as a current or former officer, agent, or employee of the agency.

"(B) QUALIFIED LAW ENFORCEMENT OFFICER.—The term 'qualified law enforcement officer' means an individual who—

"(i) is presently authorized by law to engage in or supervise the prevention, detection, or investigation of any violation of criminal law;

"(ii) is authorized by the agency to carry a firearm in the course of duty;

"(iii) meets any requirements established by the agency with respect to firearms; and

"(iv) is not the subject of a disciplinary action by the agency that prevents the carrying of a firearm.

"(C) QUALIFIED FORMER LAW ENFORCEMENT OFFICER.—The term 'qualified former law enforcement officer' means, an individual who is—

"(i) retired from service with a public agency, other than for reasons of mental disability;

"(ii) immediately before such retirement, was a qualified law enforcement officer with that public agency;

"(iii) has a nonforfeitable right to benefits under the retirement plan of the agency;

"(iv) was not separated from service with a public agency due to a disciplinary action by the agency that prevented the carrying of a firearm;

"(v) meets the requirements established by the State in which the individual resides with respect to—

"(I) training in the use of firearms; and

"(II) carrying a concealed weapon; and

"(vi) is not prohibited by Federal law from receiving a firearm.

"(D) FIREARM.—The term 'firearm' means, any firearm that has, or of which any component has, traveled in interstate or foreign commerce."

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 44 of title 18, United States Code, is amended by inserting after the item relating to section 926A the following:

"926B. Carrying of concealed firearms by qualified current and former law enforcement officers."

**SEC. 3. AUTHORIZATION TO ENTER INTO INTER-STATE COMPACTS.**

(a) IN GENERAL.—The consent of Congress is given to any 2 or more States—

(1) to enter into compacts or agreements for cooperative effort in enabling individuals to carry concealed weapons as dictated by laws of the State within which the owner of the weapon resides and is authorized to carry a concealed weapon; and

(2) to establish agencies or guidelines as they may determine to be appropriate for making effective such agreements and compacts.

(b) RESERVATION OF RIGHTS.—The right to alter, amend, or repeal this section is hereby expressly reserved by Congress.

By Mr. BRYAN (for himself, Mr. BOND, and Ms. MOSELEY-BRAUN):

S. 838. A bill to amend the Securities Exchange Act of 1934 to eliminate legal impediments to quotation in decimals for securities transactions in order to protect investors and to promote efficiency, competition, and capital formation; to the Committee on Banking, Housing, and Urban Affairs.

THE COMMON CENTS STOCK PRICING ACT OF 1997

Mr. BRYAN. Mr. President, today Senator BOND, Senator MOSELEY-BRAUN, and I are introducing legislation to require stocks to be traded in a much more consumer-friendly fashion with the added benefit of saving investors billions of dollars.

Mr. President, I send that legislation to the desk for its introduction.

Let me just say parenthetically this is not the first time that I have had the privilege of working with the senior Senator from Missouri on legislation that affects vital consumer interests. He and I had the opportunity to work over several previous Congresses and secured in the last Congress significant changes to Federal law that protect consumers in terms of correcting information on their consumer histories, the largest single complaint before the Federal Trade Commission, and through his leadership and support and sustained efforts we were able to accomplish that. So I look forward to working with him on the piece of legislation that we introduce today, with the only caveat that I hope my distinguished colleague and I might be more helpful in getting this passed in a sooner period of time than we did on our previous enterprise which took three successive Congresses to work through.

This legislation would bring to an end an antiquated pricing system currently used by Wall Street to buy and sell stocks that dates back to colonial times when the New York Stock Exchange was founded in the 18th century and the dollar was denominated in pieces of eight. While every other pricing system in our country has moved to dollars and cents, Wall Street continues to use this outdated eighths pricing system.

As one article pointed out, and I quote, "Imagine going to the grocery store and seeing bacon selling for \$3<sup>3</sup>/<sub>8</sub> and chicken potpies for \$1<sup>1</sup>/<sub>8</sub>." Mr. President, not only has every other pricing system in America moved to dollars and cents, but all other major stock exchanges in the world—all have abandoned the antiquated eighths system and now trade in decimals.

The bill that we are introducing today is a companion piece of legislation to H.R. 1053 sponsored in the House of Representatives by Congressmen OXLEY, MARKEY and BLILEY. This legislation would direct the Securities and Exchange Commission to, within 1

year after the enactment of the legislation, adopt a rule to transition the stock and option markets away from their current trading practice in eighths to trading in dollars and cents.

Currently, the New York Stock Exchange has a rule which mandates a minimum quote of an eighth for a share of stock trading in excess of \$1. This rule is sanctioned by the Securities and Exchange Commission. Otherwise, it would be a blatant example of price-fixing. This legislation would require the SEC to revise this sanction to better represent the interests of consumers and investors throughout the country.

I must say, Mr. President, I have been encouraged by recent newspaper reports which suggest that the New York Stock Exchange plans to move to one-sixteenth of a dollar and in 2 years to switch to decimals. If those reports are in fact confirmed—and I am informed that there is a meeting today in which formal action will be taken to that effect—then the members of the New York Stock Exchange are to be commended for moving in the right direction. I would note, however, that there are other stock exchanges in the United States which have not yet indicated that is their course of action, and so this legislation will be necessary to ensure that all take that step.

There are currently 60 million Americans who participate directly in the stock markets who would benefit from change. Large pension funds and small investors alike would benefit. According to SEC Commissioner Steven Wallman, investors would end up saving between \$5 billion to \$10 billion each year if stocks were traded in increments of dollars and cents rather than in the current practice of trading in eighths. It is not uncommon for a 500-million share day to occur on a given day, so a small change in the spread would mean enormous savings for investors.

Many of us are reluctant to have Government intervene in the marketplace. Private sector determinations ought to be the rule, not the exception, here in America. In point of fact, we do not have a free market at work here. In fact, we have a classic example of price collusion. Wall Street dictates that this antiquated system be used and that all dealers must adhere to it. In essence, we are not interfering with the free market system; we are stepping in to help the stock market act more like a free market.

We are not trying to dictate the spreads that could be charged in the buying and selling of stocks or the profits that Wall Street can make. In my judgment, that would be appropriate. If this legislation is enacted, however, stocks would be traded in dollars and cents and then the free market can more accurately determine what the prices and spreads should be. This is the essence of a free market. This is the essence of free enterprise. It seems appropriate as we move into the 21st

century. It is time the United States joined the rest of the world in using a more rational, understandable system of stock transactions.

Mr. BOND. Mr. President, I am pleased to join Senator BRYAN in introducing the Common Cents Stock Pricing Act of 1997. I thank Senator BRYAN for his leadership in this measure. As he indicated in his comments, we worked together through three sessions of Congress to pass the Fair Credit Reporting Act. Numerous members of staff came and went while we were trying to get this commonsense consumer measure passed, and I only hope, as he indicated, that we will not have a similar 6-year battle on this one, because I think the bill is very simple, very straightforward, and reflects common sense. It calls for the markets to get on in the business of trading in plain numbers, dollars and cents, instead of fractions.

The Common Cents Stock Pricing Act will make stock prices easier to understand for the average small investor. It will also force stock dealers to compete in pennies, which should result in lower transaction costs and investor savings.

Our Nation's stock markets use pricing methodologies which date back to the 18th century, when colonies used Spanish dollars as their currency. Traders would chisel these ancient coins into "pieces of eight" or "bits" and use them to purchase commodities. When organized stock trading began in New York in 1792, stock prices were quoted in bits, or eighths.

Mr. President, 200 years later, the time has come to move beyond this pricing system. We don't use Spanish coins today, we don't use bits, and we don't need confusing price systems.

The pricing system based on ancient coins is not only out of date, but it is difficult for the average investor to understand. At least one newspaper has recognized this fact. The San Francisco Chronicle recently began printing its tables in dollars and cents, instead of fractions. Others, including the Boston Globe and USA Today have called on the stock exchanges to move to a penny pricing system.

Small investors also stand to benefit financially from the move to pricing by the penny rather than by the bit. SEC Commissioner Steve Wallman estimates investors lose a minimum of \$1.5 billion a year under the current system. Other experts put the figure in the \$4 to \$9 billion range.

Let me just explain why small investors lose in the current environment. Stock exchange rules effectively limit the minimum spread between a stock's buy-and-sell price to one-eighth of a dollar, or 12.5 cents. This means that floor traders earn at least 12.5 cents from investors on every trade. Large investor institutions can get better deals on their trades by negotiating prices on block trades, but the average small investor has to pay the full fare.

Penny stock pricing is also in step with the rest of the world. The U.S. is

the only major market that trades in eighths; every other country uses decimal pricing. If we are going to maintain our role as the dominant player in world markets, the U.S. must keep pace and move to a system of decimal pricing.

The bill we are introducing today is straightforward. It simply calls on the Securities and Exchange Commission to promulgate a rule, within 1 year after the enactment date of the legislation, to transition the stock and option markets away from fractionalized trading, bits trading, into dollars and cents pricing.

I think the bill is an appropriate way for the Government to regulate financial markets. The Common Cents Stock Pricing Act does not micromanage the markets by dictating what the spread will be. The competition and the markets will determine the spread. The implementation of the SEC will allow competitive forces to decide what the spread will be.

Let me close by saying I also noted the New York Stock Exchange announcement has been made that it will begin trading in sixteenths and eventually in decimals. I commend Senator BRYAN and the sponsors of the companion House legislation, because their bill was cited as one of the reasons that the New York Stock Exchange was moving forward. I plan to review the language to ensure that their efforts clearly commit them to move to decimals, and that other exchanges will move to decimals. We need to do so in a reasonable timeframe and not wait until the forecasted computer crisis of the year 2000, when all of the computers go back to 1900.

Big investors get good deals every day in negotiating stock trade prices. I think it is time for the average investor to get a good deal too. I encourage my colleagues to join me in making sure average investors are treated equitably. I thank my colleague from Nevada for his work on this issue, and I encourage and invite other Members of the Senate to join us in supporting this bill.

By Mr. BINGAMAN (for himself and Mrs. MURRAY):

S. 839. A bill to improve teacher mastery and use of educational technology; to the Committee on Labor and Human Resources.

#### THE TECHNOLOGY FOR TEACHERS ACT

Mr. BINGAMAN. Mr. President, I rise today, with the support of Senator MURRAY from the State of Washington, to introduce legislation that will increase the effectiveness of our efforts to improve education in the country. I send to the desk the legislation and ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. BINGAMAN. Mr. President, the bill is entitled the Technology for Teachers Act. Its purpose is to increase

the ability of millions of new and current teachers to use technology in the classroom.

Every school day in my home State of New Mexico and across the country, computers are being purchased, are being unpacked and are being delivered to classrooms in the hope that the teachers there will do wonderful things with those computers to assist the educational process. Sometimes that happens, but most of the time, the computer that is delivered and unpacked is just one more challenge to that teacher, one more demand on that teacher's time and one more drain on the energy of that teacher, because no one has given the teacher the training necessary to be able to do wonderful things with the computer.

Most of the teachers in our public schools today started teaching before the era of personal computers really began and was established.

The problem begins with low standards for the preparation of teachers to use this new technology and for the licensing of new teachers. This is reflected in a chart I have, Mr. President, that I would like to call attention to. This chart demonstrates the following. On the left-hand side, we have the States that now require one course in education technology. You can see that the red area indicates that 32 States now require a course in education technology. Eighteen of our States require no instruction in education technology today.

But the more problematic part of this chart is the right-hand side, where we try to depict the new teachers who feel prepared to use technology in the classroom.

You can see that the green area indicates that 90 percent of our new teachers do not feel prepared to use technology in the classroom. That means 90 percent have not had adequate training, including the 90 percent who have had that one course that is required in those 32 States. So there is a serious problem.

We also have a disturbing imbalance between the high investment we are making in equipment on the one hand and our inadequate investment in teachers on the other. Let me show a couple of other charts to make that point.

This chart tries to make the distinction between the high availability of computers in our schools versus the low amount of teacher training to use them. Ninety-eight percent of our schools today are equipped with some computers. So, clearly, that is a major step forward from where we were, for example, 5 or 10 years ago. But if you look at the teachers who took more than 1 day of training in a single school year on how to use those computers, it is 15 percent of our teachers. Clearly, that imbalance exists.

We are investing in the hardware; we are not investing in training the teachers to use that hardware effectively.

Let me show one other chart to make the same point. This is connections to

the Internet. This shows a 1997 estimate of the percent of schools that are connected to the Internet. About 65 percent of our schools have at least some connection to the Internet. When you look, though, down at the classroom level, you see that only 14 percent of our classrooms actually have a connection to the Internet.

Only 13 percent of schools require some kind of advanced training for teachers so that they would know how to take advantage of that hookup to the Internet. And teachers who are actually using the Internet to help with their instruction is only 20 percent. So, again, we have a major imbalance between the investment in the equipment on the one hand, and the inadequate investment in training our teachers on the other. The experts say that 30 percent of the total investment we make in education technology should be used to train teachers, but right now we spend only 9 percent on teacher training. In my own State of New Mexico, only 4 percent of the \$33 million spent on education technology goes for training teachers. That's less than half the national average and less than one seventh what we should be spending on teacher training.

I am not saying that the Federal Government has not invested in teacher training as a part of school reform. There is a lot of money which is available for this, but also for a great many other needs. Clearly, this chart shows that. When we talk about general reform of education, there are four large programs that the Federal Government has. Of course, Title I is by far the largest, Title VI, Goals 2000, the Eisenhower Professional Development Program—all of those programs have funds that arguably can be used for training of teachers in this respect but, in fact, there are other great demands on those funds.

When you look at technology for education, we now have the Technology Literacy Program that is funded at \$257 million. The request from the President and the agreement in this year's Budget Resolution is to substantially increase that in the coming years. But when you look at technology training for teachers, there is absolutely nothing planned for that or required to be spent on that. This legislation tries to correct that deficiency.

There are no Federal programs today devoted exclusively to technology training for teachers—either technology training for new teachers that are being trained, or technology training for current teachers in the work force.

Let me briefly describe what our bill would do, Mr. President. This bill has two parts. One would improve the technology training that 2 million new teachers will get while they are in college during the next decade to try to ensure that as they begin their teaching careers, they have had this instruction.

The other part involves the technology training that millions of our

current teachers will need throughout their teaching careers.

For both parts, our legislation provides that the Department of Education would make competitive grants to the States, to the States' departments of education that are responsible for the licensing of teachers and for maintaining high teaching standards. Those States' departments would then set up competitive grant programs, one to go to colleges of education for innovative programs to train new teachers to use technology; the other set of grants would go to local school districts for innovative professional development of current teachers.

The bill would require that the States' departments of education, the colleges of education, the local school districts, and the education technology private sector all work together to create these innovative teacher training programs. This bill would be a major step forward in providing the necessary training to our teachers so that they can benefit from new technologies and integrate those new technologies into their instruction.

There are some very good examples, happening in a few places, of what should be happening all over the country. For example, the University of Missouri has a program that issues a laptop computer to incoming freshmen in their College of Education. It has built telecommunications links to K-through-12 schools throughout the State of Missouri.

This bill would also support some innovative programs similar to the program we have in New Mexico called the Regional Education Technology Assistance Program; it trains five teachers from each of the school districts in my State. In fact, we have only reached out now and gotten the involvement of 52 of our 89 school districts. But the idea here is to get a cadre of teachers who are comfortable with the use of technology who can then work in their school district to train other teachers so that they, too, can be comfortable with the use of that technology and not have the technology just be a frill which is put over in the corner of their classroom for people to use when they don't have other more important activities to pursue.

Mr. President, I think this legislation is particularly important because it tries to deal with the very real resource constraints that some of our school districts face. In my home State, we have a school district in Cuba, NM, where they have had to give up their music instruction, they have had to give up their home economics program, in order to acquire technology to try to enrich their curriculum. This would provide some additional sources of funds for them so that they could get that technology, they could get the training for the use of that technology. That is the great need that we have at this particular time.

I hope very much that we can get a hearing on this bill this summer, move

ahead with it, and enact this legislation before the conclusion of this session of the Congress. I think this is a step forward.

We have seen significant progress over the last few years in Federal support for technology and the use of technology in education. The one great deficiency today is that we do not put enough into training teachers so that that technology can be used effectively. This legislation will help to correct that problem.

I thank Senator MURRAY for cosponsoring the legislation. I hope other colleagues will do so as well.

By Mr. GRAHAM:

S. 840. A bill to amend the Internal Revenue Code of 1986 to provide an exemption from tax gain on sale of a principal residence; to the Committee on Finance.

THE PRINCIPAL RESIDENCE TAX EXCLUSION ACT  
OF 1997

Mr. GRAHAM. Mr. President, today I introduce the Principal Residence Tax Exclusion Act of 1997. Earlier this year, Representatives ROB PORTMAN and BEN CARDIN introduced similar legislation, styled H.R. 1391, in the House of Representatives. In addition, both President Clinton and former Senator Dole have expressed strong support for a capital gains exclusion for our Nation's homeowners.

This is a proposal that enjoys widespread bipartisan support. Now is the time to make good on our promises to help our Nation's families.

As everyone knows, moving is a stressful and complicated process. Besides worrying about whether to take advantage of a job opportunity in another State or to move closer to family members or to accept some other reason for relocation, such as a change of residence at retirement, people should not have added to all of those complex decisions the worry about paying taxes on the sale of their permanent residence.

This act will get the tax code out of the family's decisionmaking process. It will allow the family to make decisions based on the family's specific circumstances, not based on constraints imposed by the tax law.

What is the current law? Under the current law, capital gains from the sale of principal residences are subject to taxation. However, two provisions exclude many homeowners from the effect of that taxation.

First, under the so-called rollover provision, taxpayers can roll over gains from the sale of a principal residence into a new residence and defer any capital gains tax under certain conditions. One of those is that the purchase price of the new residence must exceed the adjusted sales price of the previous principal residence. The new residence must be purchased within 2 years of the date of sale of the first home.

There is a second provision which results in many homeowners not paying a capital gains tax on a principal resi-

dence. And that is the age 55 exclusion, a taxpayer is eligible for a one-time permanent exclusion of up to \$125,000 on any accumulated gain from the sale of their principal residence. In addition to meeting the age 55 requirement to qualify for this exclusion, the taxpayer must have owned the residence and used it as their principal residence for at least 3 years during the 5 years prior to the sale.

A taxpayer is eligible for the exclusion only if neither the taxpayer nor the taxpayer's spouse has previously benefited from this exclusion. Consequently, Mr. President, to avoid the tax, most people wait until they are eligible for the one-time exclusion or they make what may be uneconomic decisions regarding the sale of their home.

Mr. President, this is not right. People should be able to move when they want to, not when the tax code makes it financially possible. They should be able to buy a smaller home, if that is what they desire, without having to pay a tax on the difference between their profit on the sale of the first home and the price of the new home.

Mr. President, this is an issue of removing governmental intrusion from family matters. This is an issue of allowing Americans to be free from unnecessarily burdensome requirements. This is an issue of permitting people to make decisions that will ultimately have a positive impact on the American economy.

The Principal Residence Tax Exclusion Act would go a long way toward resolving each of these issues. I hope that my colleagues will join me in supporting this proposal.

Under this act, the Principal Residence Tax Exclusion Act, taxpayers of any age—I underscore "any age"—could exclude the gain on the sale of a principal residence of up to \$500,000 for a married couple filing a joint return, and up to \$250,000 for a single taxpayer.

To be eligible, the taxpayer must have owned and used the home as the principal residence for at least 2 of the last 5 years prior to the sale. The exclusion will generally be available once every 2 years.

This legislation would have a far-reaching impact on the families of our Nation. Under the current law, approximately 150,000 families annually have taxable gain on the sale of their homes. This number would be even higher. However, concern about the tax causes most people to wait until they are eligible for the one-time exclusion or to buy increasingly more expensive homes over time regardless of whether such purchases are economically wise or otherwise meet the family's needs.

Under the new proposal, the Department of the Treasury estimates that only about 10,000 transactions annually would be subject to taxation. So nearly all families would be relieved of the burdensome recordkeeping requirements and constraints on decision-making which are part of the current law.



Mr. President, I would like to bring to your attention one such family, a family who I believe represents the concerns of many American families. Rudy and Lynn Saumell of Valrico, FL, retired and moved to Florida several years ago after working for a combined total of 60 years in the Connecticut school system. Lynn taught remedial math in the elementary school for 25 years. Rudy taught for 15 years before serving as an assistant principal for 20 more years. The Saumells lived in their Connecticut home with their two daughters for 23 years. When the Saumells retired 5 years ago, their girls had long since left home; the family's needs had changed.

Lynn and Rudy decided to move to Florida to be near some of their relatives and to enjoy the warm climate and a hospitable neighborhood. They no longer needed such a large home. They were moving to a lower cost area. But the Saumells were concerned about being taxed on the sale of their Connecticut home. So, upon their accountant's advice, they bought a more expensive home than they needed and used both the one-time exclusion and the rollover provision to avoid paying tax on their previous residence's sale.

In order to qualify under current law, the Saumells had to keep extensive records of all of the improvements they made to their previous residence. For over two decades, they complied with the law to the best of their abilities despite the difficulties they encountered in doing so.

I commend the Saumells for their diligence. I agree with them that these requirements seem unnecessarily burdensome and nearly impossible to fulfill without error, omission, or honest misunderstanding.

The act I propose would eliminate the need to keep these detailed records for 99 percent-plus of all Americans. After spending 5 years in their new home, the Saumells still want to move to a smaller home in a retirement community. They are paying more than they would like in property taxes. Their heat, water, and electric bills would be greatly reduced. Instead, Rudy and Lynn would rather spend the money they have saved for traveling and helping their daughters buy homes for their new families. Lynn and Rudy do not need such a big home for just the two of them.

But the Saumells are stuck between a rock and a hard place. Under the current law, if they keep their house they will not be able to spend their savings as they would like. But if they sell their home and buy a less expensive one, they cannot use the over-55 exemption again since it is only available once in a lifetime and the rollover provision would not apply since they are not moving to a more expensive home.

Thus their savings would be eaten up by a large capital gains tax, defeating the purpose of selling their current residence. So they are locked in the dilemma: Do we stay in a home that is

larger than we need, more expensive than we can afford, or do we sell the home and suffer a substantial capital gains tax?

Mr. President, why should the Saumells have to base their housing decisions on the Tax Code rather than their family requirements? Why should they be prevented from spending their savings on what they deem to be important?

Like many Americans who are affected by the capital gains tax on home sales, Rudy and Lynn have spent their entire lives working and saving for their retirement and to assist their daughters in starting their new families' lives. It is unfair to deny them the freedom to spend these savings as they wish. So I offer this legislation to allow the Saumells and all of our Nation's families more freedom in their decisionmaking, to be able to decide where to live based on their families' circumstances, not on the Tax Code.

Rudy now volunteers with a local television station to help people recover money that has been wrongfully withheld from them. Isn't it time that we remove the Tax Code restraints on Rudy and help him get back the free use of his own money?

Mr. President, we have the means, the opportunity, and the support to help our Nation's families in a very significant way. Passing this legislation is more than providing relief to our Nation's homeowners. It is the right thing to do.

Mr. President, I ask unanimous consent that a letter from the ERC, the Employee Relocation Council, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE EMPLOYEE RELOCATION  
COUNCIL,

*Washington, DC, June 4, 1997.*

Hon. BOB GRAHAM,  
U.S. Senate, Washington, DC.

DEAR SENATOR GRAHAM: The Employee Relocation Council ("ERC") strongly supports your efforts to introduce legislation that would provide a \$500,000 exclusion of gain on the sale of a principal residence and we urge that this proposal be included as part of the tax package to be assembled by Congress in the coming weeks. Reducing the tax cost of relocations and improving the economics of home purchase decisions would be beneficial not only to individual taxpayers, but to companies and the economy as well.

Currently, taxpayers can rollover gains from their principal residence into a new residence and defer any capital gains tax to the extent that the purchase price is equal to or greater than the adjusted sales price of the old residence. Additionally, a one time \$125,000 exclusion (\$62,500 for separated individuals) is provided at age 55. These tax rules are extremely complex; encourage relocating employees to purchase increasingly expensive homes regardless of their economic situation and can prevent companies from relocating those employees because of increased relocation costs (attached is an analysis of the benefits to employers and employees that would result from enactment of this proposal).

ERC is an association whose members are concerned with employee transfers, the sale

and purchase of real estate related to the movement of household goods and other aspects of relocation. ERC's members include some sixty percent (60%) of Fortune 1000 corporations as well as real estate brokers, appraisers, van lines, relocation management companies and other industry professionals. ERC supports initiatives that ease the constraints and reduce the costs of moving employees and that allow companies and individuals to relocate based on sound economic decisions. ERC believes that one of the keys to success in today's international marketplace is workforce mobility, which enhances the ability of companies to compete internationally and is reflected in improved national productivity and efficiency. The complexity and costs imposed by the current tax rules act as a detriment and forces employers and employees to make decisions based on tax law and not economic soundness. Accordingly, ERC endorses your efforts to enact legislation that would provide for a \$500,000 exclusion of gain on the sale of a principal residence.

Sincerely,

H. CRIS COLLIE,  
*Executive Vice President.*

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 841. A bill to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; to the Committee on Energy and Natural Resources.

THE FORT PECK RESERVATION RURAL WATER  
SYSTEM ACT OF 1997

Mr. BURNS. Madam President, today I introduce a bill that will ensure the Assiniboine and Sioux people of the Fort Peck Reservation in Montana a safe and reliable water supply system. The Fort Peck Reservation is located in northeastern Montana. It is one of the largest reservations in the United States, and has a population of more than 10,000. The Fort Peck Reservation faces problems similar to all reservations in the country, that of remote rural areas. This reservation also suffers from a very high unemployment rate, 75 percent. Added to all this, the populations on the reservation suffer from high incidents of heart disease, high blood pressure, and diabetes. A safe and reliable source of water is needed to both improve the health status of the residents and to encourage economic development and thereby self-sufficiency for this area.

This legislation would authorize a reservation-wide municipal, rural, and industrial water system for the Fort Peck Reservation. It would provide a much needed boost to the future of the region and for economic development, and ultimately economic self-sufficiency for the entire area. My bill has the support of the residents of the reservation and the endorsement of the tribal council of the Assiniboine and Sioux Tribes.

The residents of the Fort Peck Reservation are now plagued with major drinking water problems. In one of the communities, the sulfate levels in the water are four times the standard for safe drinking water. In four of the communities the iron levels are five times

the standard. Sadly, some families were forced to abandon their homes as a result of substandard water quality. Basically, the present water supply system is inadequate and unreliable to supply a safe water supply to those people that live on the reservation.

Several of the local water systems have had occurrences of biological contamination in recent years. As a result, the Indian Health Service has been forced to issue several health alerts for drinking water. In many cases, residents of reservation communities are forced to purchase bottled water. Not a big deal to those who can afford it, but difficult to a population that has the unemployment rate found on the Reservation. All this, despite the fact that within spitting distance is one of the largest man-made reservoirs in the United States, built on the Missouri River.

Agriculture continues to maintain the No. 1 position in terms of economic impact in Montana. In a rural area like the Fort Peck Reservation agriculture plays the key role in the economy, more so than in many areas of the State. The water system authorized by the legislation will not only provide a good source of drinking water, but also a water supply necessary to protect and preserve the livestock operations on the reservation. A major constraint on the growth of the livestock industry around Fort Peck has been the lack of an adequate watering site for cattle. This water supply system would provide the necessary water taps to fill watering tanks for livestock, which in normal times would boost the local economy of the region and the State. An additional benefit of this system would be more effective use of water for both water and soil conservation and rangeland management.

The future water needs of the reservation are expanding. Data shows that the reservation population is growing, as many tribal members are returning to the reservation. It is clear that the people that live on the reservation, both tribal and nontribal members, are in desperate need of a safe and reliable source of drinking water.

The solutions to this need for an adequate and safe water supply is a reservation wide water pipeline that will deliver a safe and reliable source of water to the residents. In addition this water project will be constructed in size to allow communities off the reservation the future ability to tap into the system. A similar system for water distribution is currently in use on a reservation in South Dakota.

The surrounding communities have also agreed with the importance of this system. Last year when I introduced this bill, there were no additional communities signed on to the system. Today, the surrounding communities have signed on and look at this system as a means of supplying clean, safe drinking water to their residents.

The people of the Fort Peck Reservation, and the State of Montana are

only asking for one basic life necessity. Good, clean, safe drinking water. This is something that the more developed regions of the Nation take for granted, but in rural America we still seek to develop.

I realize the importance of getting this bill introduced and placed before the proper committee. This action will allow us to move forward and provide a basic necessity to the people of this region in Montana. Good, clean, safe drinking water.

Mr. BAUCUS. Mr. President, I am pleased to join Senator BURNS today in introducing legislation that authorizes the construction of a municipal, rural, and industrial water system for the Assiniboine and Sioux Tribes of the Fort Peck Reservation.

The reservation has long been plagued by major drinking water problems including both inadequate supplies and unacceptable water quality. Ground water, the primary source of drinking water for many reservation residents, often exceeds the standards for total dissolved solids, iron, sulfates, nitrates, and in some cases for selenium, manganese and fluorine.

Bacterial contamination of domestic water supplies has also been a recurring problem. On several occasions the Indian Health Service and Tribal Health Office have had to issue public health alerts regarding drinking water. In short, the very health of residents of the Fort Peck Reservation depends on construction of this pipeline.

A safe and adequate supply of water is a necessity if the Fort Peck Nation is to realize its dream of economic development and full employment. The reservation economy is based on ranching and farming but expansion of agricultural operations is severely limited by the lack of adequate stockwater supplies. Additionally more effective distribution of water would result in more effective soil conservation and improvement of the native rangeland.

The Bureau of Reclamation has determined that a regional MR&I water supply system using water from the Missouri River is a feasible alternative for addressing the serious water problems facing Fort Peck. This legislation will make that alternative a reality for the people of the Fort Peck Reservation.

I urge my colleagues to join me in supporting authorization of this critical project.

By Mr. INHOFE (for himself, Mr. BREAU, Mr. CRAIG, and Mr. HUTCHINSON):

S. 842. A bill to provide for the immediate application of certain orders relating to the amendment, modification, suspension, or revocation of certificates under chapter 447 of title 49, United States Code; to the Committee on Commerce, Science, and Transportation.

REVOCATION OF CERTIFICATIONS LEGISLATION

Mr. INHOFE. Mr. President, I have been working with representatives of

the aviation industry on legislation that will address a problem with the Federal Aviation Administration. Let me, first of all, say that back in real life I have been a professional pilot for some 40 years. I am a little bothered, too, at some of the things taking place in the aviation industry. I have seen great injustice done many, many times, having to do with the emergency revocation powers of the FAA. In a revocation action, brought on an emergency basis, the certificate holder loses use of his certificate immediately, without an intermediary review by an impartial third party. The result is that the certificate holder is grounded and, in most cases, is out of work until the issue is adjudicated. I believe the FAA unfairly uses this necessary power to prematurely revoke certificates when the circumstances do not support such drastic action. A more reasonable approach, Mr. President, when safety is not an issue, would be to adjudicate the revocation on a nonemergency basis, allowing the certificate holder to continue use of his certificate.

Please don't misunderstand me. In no way do I want to suggest that the FAA should not have emergency revocation powers. I believe it is critical to safety that the FAA can ground unsafe airmen and other certificate holders. However, I also believe that the FAA must be judicious in its use of this extraordinary power. A review of recent emergency cases clearly demonstrates a pattern by which the FAA uses their emergency powers as standard procedure rather than an extraordinary measure.

Perhaps the most visible case is that of Bob Hoover, who happens to probably be the best pilot in America today. He is up in age. I have watched him and have been in a plane with him. He can set a glass of water on the panel of an airplane and do a barrel roll without spilling any of the water. He is highly regarded as an aerobatic pilot. In 1992, his medical certificate was revoked based on alleged questions regarding his cognitive abilities. After getting a clean bill of health from four separate sets of doctors—just one of the many tests cost Bob \$1,700—and over the continuing objections of the Federal air surgeon, who never even examined Bob Hoover personally, his medical certificate was reinstated only after then-Administrator David Henson intervened. And I want to take this opportunity to tell David Henson what a great job he did for aviation, and for one person.

Unfortunately, Bob Hoover is not out of the woods yet.

His current medical certificate expires on September 30, 1997. Unlike most airmen who can renew their medical certificate with a routine application and exam, Bob has to furnish the FAA with a report of a neurological evaluation every 12 months.

It is a very expensive and unnecessary process.

Mr. President, Bob Hoover's experience is just one of many. In a way, his wasn't as bad, because some of them do this—like professional airline pilots—for a living.

I have several other examples of pilots who have had their licenses revoked on an emergency basis. Pilots such as Ted Stewart who has been an American Airlines pilot for more than 12 years and is presently a Boeing 767 captain. Until January 1995, Mr. Stewart had no complaints registered against him or his flying. In January 1995 the FAA suspended Mr. Stewart's examining authority as part of a larger FAA effort to respond to a problem of falsified ratings. The full NTSB board exonerated Mr. Stewart in July 1995. In June 1996, he received a second revocation. One of the charges in this second revocation involved falsification of records for a flight instructor certificate with multiengine rating and his air transport pilot [ATP] certificate dating back to 1979.

Like most, I have questioned how an alleged 17½-year-old violation could constitute an emergency; especially, since he has not been cited for any cause in the intervening years. Nonetheless, the FAA vigorously pursued this action. On August 30, 1996, the NTSB issued its decision in this second revocation and found for Mr. Stewart. A couple of comments in the Stewart decision bear closer examination. First, the board notes that:

The administrator's loss in the earlier case appears to have prompted further investigation of respondent . . .

I find this rather troubling that an impartial third party appears to be suggesting that the FAA has a vendetta against Ted Stewart. This is further emphasized with a footnote in which the Board notes:

[We,] of course, [are] not authorized to review the Administrator's exercise of his power to take emergency certificate action . . . We are constrained to register in this matter, however, our opinion that where, as here, no legitimate reason is cited or appears for not consolidating all alleged violations into one proceeding, subjecting an airman in the space of a year to two emergency revocations, and thus to the financial and other burdens associated with an additional 60-day grounding without prior notice and hearing, constitutes an abusive and unprincipled discharge of an extraordinary power.

Joining with me today is JOHN BREAUX of Louisiana. JOHN has a constituent, Frank Anders who has taken the lead gathering other examples of FAA abuses with regard to their emergency revocation authority. One in particular is Raymond A. Williamson who was a pilot for Coca-Cola Bottling Co. Like Ted Stewart, he was accused of being part of a ring of pilots who falsified type records for vintage aircraft.

As in all of the cases received by my office, Mr. Williamson's biggest concern is that the FAA investigation and subsequent revocation came out of the blue. In November 1994, he was notified by his employer—Coca-Cola—that FAA inspectors had accused him of giving il-

legal check rides in company owned aircraft. He was fired. In June 1995, he received an emergency order of revocation. In over 30 years as an active pilot, he had never had an accident, incident, or violation. Nor had he ever been counseled by the FAA for any action or irregularities as a pilot, flight instructor or FAA designated pilot examiner.

In May 1996, FAA proposed to return all his certificates and ratings, except his flight instructor certificate. As in the Ted Stewart case, it would appear that FAA found no real reason pursue an emergency revocation.

Mr. President, I obviously cannot read the collective minds of the NTSB board, but I believe a reasonable person would conclude that in the Ted Stewart case the Board, believes as I do, that there is an abuse of emergency revocation powers by the FAA.

This is borne out further by the fact that since 1989, emergency cases as a total of all enforcement actions heard by the NTSB has more than doubled. In 1989 the NTSB heard 1,107 enforcement cases. Of those, 66 were emergency revocation cases or 5.96 percent. In 1995, the NTSB heard 509 total enforcement cases, of those 160 were emergency revocation cases or 31.43 percent. I believe it is clear that the FAA has begun to use an exceptional power as a standard practice.

In response, I and Senators CRAIG, HUTCHINSON, and BREAUX are introducing legislation that would establish a procedure by which the FAA must show just cause for bringing an emergency revocation action against a certificate holder. Many within the aviation community have referred to this needed legislation as the Hoover bill.

Not surprisingly, Mr. President, the FAA opposes this language. They also opposed changes to the civil penalties program where they served as the judge, jury, and executioner in civil penalty actions against airmen. Fortunately, we were able to change that so that airmen can now appeal a civil penalty case to the NTSB. This has worked very well because the NTSB has a clear understanding of the issues.

Our proposal allows an airman within 48 hours of receiving an emergency revocation order to request a hearing before the NTSB on the emergency nature of the revocation. NTSB then has 48 hours to hear the arguments. Within 5 days of the initial request, NTSB must decide if a true emergency exists. During this time, the emergency revocation remains in effect.

That means that the pilot does not have his certificate and cannot fly an airplane. In many cases, this is a means of a living. But that is for 7 days.

In other words, the certificate holder loses use of his certificate for a maximum of 7 days. However, should the NTSB decide an emergency does not exist, then the certificate would be returned and the certificate holder could continue to use it while the FAA pursued their revocation case against him

in an expedited appeal process as provided for by the bill. If the NTSB decides that an emergency does exist, then the emergency revocation remains in effect and the certificate holder cannot use his certificate while the case is adjudicated.

This bill is supported by: the Air Line Pilots Association, International; the Air Transport Association; the Allied Pilots Association; Aircraft Owners and Pilots Association; the Experimental Aircraft Association; National Air Carrier Association; National Air Transportation Association; National Business Aircraft Association; the NTSB Bar Association; and the Regional Airline Association.

Mr. President, I ask unanimous consent that a letter dated March 11, 1997, to me from the above mentioned organizations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 11, 1997.

Hon. JAMES M. INHOFE,  
U.S. Senator,  
Washington, DC.

DEAR SENATOR INHOFE: The undersigned associations and organizations endorse and support your proposed legislation, the FAA Emergency Revocation Act of 1997, to reform the Federal Aviation Administration enforcement process in an important respect.

It has become apparent to us in recent years that the FAA has significantly increased its use of its emergency authority to immediately suspend or revoke airmen, air carrier, and air agency certificates, thereby avoiding the automatic stay of such action provided by law pending appeal to the National Transportation Safety Board. This legislation will accord due process to certificate holders by providing a more adequate forum for promptly adjudicating the appropriateness of the FAA's use of this authority. The forum, the same one which will adjudicate the merits of the FAA action, will also adjudicate, on a more timely basis, whether aviation safety requires the immediate effectiveness of a certificate action. The effect will be that in an appropriate case, a certificate holder will be able to exercise the privileges of its certificate while an FAA certificate action is on appeal, all without compromise of aviation safety.

We thank you for introducing this legislation, and we look forward to working with you toward its passage.

Sincerely,

Air Line Pilots Association, International; Allied Pilots Association; Experimental Aircraft Association; National Air Transportation Association; NTSB Bar Association; Air Transport Association; AOPA Legislative Action; National Air Carrier Association; National Business Aircraft Association; Regional Airline Association.

Mr. INHOFE. Mr. President, in closing, this bill will provide due process to certificate holders where now none exists, without compromising aviation safety. This is a reasonable and prudent response to an increasing problem for certificate holders. I hope our colleagues will support our efforts in this regard.

By Mr. HATCH (for himself, Mr. BAUCUS, and Mr. MACK):

S. 843. A bill to amend the Internal Revenue Code of 1986 to simplify certain rules relating to the taxation of United States business operating abroad, and for other purposes; to the Committee on Finance.

INTERNATIONAL TAX SIMPLIFICATION FOR  
AMERICAN COMPETITIVENESS LEGISLATION

Mr. HATCH. Mr. President, I rise today to introduce a bill that would provide much-needed tax relief for American-owned companies that are attempting to compete in the world marketplace. I am joined by Senator BAUCUS in introducing the International Tax Simplification for American Competitiveness Act.

Mr. President, our country's economy has entered into an environment like no other in our history. The success of the American economy is becoming more and more intertwined with the success of our businesses in the global marketplace. As the economic boundaries from country to country merge closer together, and competition begins to arise from previously lesser-developed nations, it is imperative that American owned businesses be able to compete from the most advantageous position possible.

There are already barriers the U.S. economy must overcome to remain competitive that Congress cannot hurdle by itself. I know that we have international trade negotiators working hard to eliminate those obstacles, such as barriers to foreign markets, but we can do more than just open barriers. We can reform our Tax Code in such a way that would ensure continued success by American-owned companies in today's highly competitive international market. There is no need to further impede the economy by saddling it with an outdated and extremely complex Tax Code.

If we pass on this opportunity, Mr. President, we run the risk of jeopardizing the international competitiveness of the U.S. economy, as American companies are lured to other countries with simple, more favorable tax treatment.

The business world is changing at a more rapid pace than any other time in history. Tax laws, unfortunately, have failed to keep pace with the rapid changes in the world economy. The last time the international provisions of the Internal Revenue Code were substantially debated and revised was in 1986. Since that time, existing economies have changed, and new economies have been created, all while our tax policy regarding this changing market has remained the same. And in several cases, our foreign competitors operate under simpler, fairer, and more logical tax regimes. The continued use of a confusing, archaic tax code results in a mismatch with commercial reality and creates a structural bias against the international activities of U.S. companies. We cannot, and should not, continue to impede the progress of our economy.

Mr. President, the bill that I am introducing today seeks to simplify and

correct various areas in the Internal Revenue Code that are unnecessarily restraining American businesses competing in today's global market. Some of these provisions are similar to those contained in the President's recently released simplification package. Some changes come in areas that are in dire need of repair, and others are changes that take into consideration international business operations that exist today, but were either nonexistent, or limited to domestic soil in 1986, when the tax reform laws were put into place.

An important correction to current rules relates to Foreign Sales Corporation [FSC] treatment for software. When the current FSC rules were implemented 11 years ago, the level of software exports was nowhere near the level it is today. Because the Tax Code was not modified with the evolution of the high-technology business world, American software exports are currently discriminated against. This proposal would clarify that computer software qualifies as export property eligible for FSC benefits. These benefits are currently available for films, records, and tapes, but not software.

The United States is currently the global leader in software production and development and employs nearly 400,000 people in high-paying software development and servicing jobs. The industry has experienced a great deal of growth in the past decade, primarily due to increased exports. If the FSC benefits to software continue to be denied, we are creating another obstacle to the competitiveness of American manufactured software, ultimately harming the U.S. economy, and putting American jobs at risk.

Another important change included in the bill would repeal the 10/50 tax credit rules. Currently, the code requires U.S. companies to calculate separate foreign tax credit limitations for each of its foreign joint venture businesses in which the U.S. owner owns at least 10 percent but no more than 50 percent. In addition to creating administrative headaches for American owned companies that may have hundreds of such foreign joint venture operations, these rules impede the ability of U.S. companies to compete in foreign markets.

It is necessary for businesses in the United States to operate in joint ventures worldwide, particularly in emerging, previously closed markets such as the former Soviet Union and the People's Republic of China. Many times, the joint ventures are needed to assist the United States investor to overcome significant local country and political obstacles involved with taking a controlling interest in foreign companies. This applies particularly to regulated businesses, such as telecommunications companies. While this type of joint venture is necessary for companies to enter and compete in foreign markets, the current tax law in our country discourages such operations.

The bill would permit U.S. owners to compute foreign tax credits with respect to dividends from such entities based on the underlying character of the income of these entities, or the so-called look-through treatment, provided that the necessary information is available. Moreover, the bill includes a provision that would eliminate the overlap in the rules between passive foreign investment companies [PFIC] and controlled foreign companies [CFC]. PFIC rules were never intended to apply to CFC's. In the Tax Act of 1993, changes were made that created unnecessary duplication in PFIC and CFC rules. Currently, there are several CFC's that are caught under both sets of rules. This proposal would eliminate these duplications. If a PFIC is also a CFC, the proposal generally would treat the foreign corporation as a non-PFIC with respect to certain 10-percent U.S. shareholders of the CFC.

Mr. President, I ask that my colleagues take a close look at this bill. This is not partisan legislation. It is an attempt to give fair tax treatment to American companies who operate abroad, and that, I think, is an objective we all support. The bill is truly a technical correction and simplification, designed to correct the inequities in our Tax Code, and to help place U.S. companies on a level playing field with their competitors in the foreign market. If we do not step up and make these corrections, American companies will lose ground to their foreign counterparts, eventually losing their power to operate successfully at home and harm our Nation's economic potential. American workers are the most creative, competitive, and hard-working in the world. It is our duty, Mr. President, to release them from any unnecessary constraints at home. Their hard work and perseverance will enable us to maintain and strengthen our lead in the global marketplace, resulting in more quality, high-paying jobs on American soil, and an even stronger national economy.

I ask unanimous consent that a section-by-section summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE INTERNATIONAL TAX SIMPLIFICATION FOR  
AMERICAN COMPETITIVENESS ACT—SUM-  
MARY OF PROVISIONS

TITLE I—TREATMENT OF PASSIVE FOREIGN  
INVESTMENT COMPANIES

*Section 101. PFIC/CFC overlap:* The overlap between the PFIC and CFC rules would be eliminated. In the case of a PFIC that is also a CFC, the proposal generally would treat the foreign corporation as a non-PFIC with respect to certain 10-percent U.S. shareholders of the CFC. The change generally would be effective for taxable years of U.S. persons beginning after December 31, 1997, and to taxable years of foreign corporations ending with or within such taxable years of U.S. persons, subject to certain holding period requirements.

*Section 102. PFIC mark-to-market election:* A shareholder of a PFIC would be allowed to make a mark-to-market election for PFIC

stock that is regularly traded on a qualifying national securities exchange or is otherwise treated as marketable. A similar election generally would be available for regulated investment companies. The provision would be effective for taxable years of U.S. persons beginning after December 31, 1997, and to taxable years of foreign corporations ending with or within such taxable years of U.S. persons.

**Section 103. Clarification of passive income definition:** The definition of passive income would be amended for purposes of PFIC provisions by clarifying that the exceptions from the definition of foreign personal holding company income under section 954(c)(3) (regarding certain income received from related persons) do not apply in determining passive income for purposes of the PFIC definition. The change would be effective for taxable years of U.S. persons beginning after December 31, 1997, and to taxable years of foreign corporations ending with or within such taxable years of U.S. persons.

**Section 104. Effective date of new PFIC provisions:** The changes made by the new PFIC provisions (sections 101–103, above) would apply to taxable years of U.S. persons beginning after December 31, 1997, and to taxable years of foreign corporations ending with or within such taxable years of U.S. persons.

#### TITLE II—TREATMENT OF CONTROLLED FOREIGN CORPORATIONS

**Section 201. Extension of dividend treatment to dispositions of lower-tier CFCs:** Section 1248 dividend treatment would be extended to the sale of a CFC by a CFC where such dividend treatment is provided under current law upon the sale of a CFC by a U.S. shareholder. In addition, a provision added to section 904(d)(2)(E) by the 1988 Act (TAMRA) would be repealed. That provision requires the recipient of a CFC distribution to have been a U.S. shareholder in the CFC when the related earnings were generated to avoid subjecting the distributions to the separate foreign tax credit basket applicable to section 902 corporations. The changes would be effective for gains recognized on transactions or distributions occurring after the date of enactment.

**Section 202. Miscellaneous modifications to subpart F:** The following changes would be made to subpart F:

**Subpart F inclusions in year of acquisition:** The subpart F inclusions of an acquirer of CFC stock would be reduced in the year of acquisition by a portion of the dividend deemed recognized by the transferor under section 1248. The provision would apply to dispositions after the date of enactment.

**Adjustments to basis of stock:** The income inclusion to a U.S. shareholder resulting from an upper-tier CFC's sale of stock in a lower-tier CFC that earns subpart F income would be adjusted, under regulations, to account for previous inclusions by adjusting the basis of the stock. The provision would apply for purposes of determining inclusions for taxable years of U.S. shareholders beginning after December 31, 1997.

**Certain distributions of previously taxed income:** The IRS would be authorized to issue regulations to prevent multiple inclusions in income or to provide appropriate basis adjustments in the case of cross-chain section 304 dividends out of the earnings of CFCs that were previously included in the income of a U.S. shareholder under subpart F, or in other circumstances in which there would otherwise be a multiple inclusion or a failure to adjust basis. The provision would be effective on the date of enactment.

**U.S. income earned by a CFC:** A treaty exemption or reduction of the branch profits tax that would be imposed under section 884 with respect to a CFC would not affect the general statutory exemption from subpart F

income that is granted for U.S. source effectively connected income. The provision would apply to taxable years beginning after December 31, 1986.

**Section 203. Indirect foreign tax credit allowed for lower tiers:** The availability of indirect foreign tax credits would be extended to certain taxes paid or accrued by certain fourth-, fifth-, and sixth-tier foreign corporations. The provision generally would be effective for taxes of a CFC with respect to its taxable years beginning after December 31, 1997.

**Section 204. Exemption for active financing income:** Income earned in the active conduct of a banking, financing, or similar business by a CFC would not be treated as foreign personal holding company income if (1) a significant portion of the CFC's income for that business is derived from transactions with unrelated customers in the jurisdiction in which the CFC is organized and the CFC is predominantly engaged in the active conduct of such business, or (2) the CFC's income is derived in the active conduct of a securities or banking business within the meaning of the PFIC rules. In addition, the bill would exclude from subpart F income a qualifying insurance CFC's income from the investment of its assets, subject to certain limitations. The provision would apply to taxable years of foreign corporations beginning after December 31, 1997, and to taxable years of U.S. shareholders with or within which such taxable years of foreign corporations end.

**Section 205. Provide look-through treatment for 10/50 companies:** Current law requires U.S. companies operating joint ventures in foreign countries to calculate separate foreign tax credit basket limitations for income earned from each joint venture in which the U.S. owner owns at least 10 percent but no more than 50 percent. The proposal would permit U.S. owners to compute foreign tax credits with respect to dividends from such entities based on the underlying character of the income of these entities (i.e., "look-through" treatment), provided that the necessary information is available. Dividends from entities for which the necessary information is unavailable would be aggregated in a single foreign tax credit basket. The provision would apply to dividends paid out of earnings and profits accumulated during taxable years of foreign corporations beginning after December 31, 1997.

**Section 206. Study of treating European Union as a single country:** The Treasury Department would be directed to conduct a study on the feasibility of treating all members of the European Union as a single country for purposes of applying the same country exceptions under subpart F. This study would include consideration of methods of ensuring that taxpayers are subject to a substantial effective rate of foreign tax if such treatment is adopted. A report would be required within six months.

**Section 207. Expand subpart F de minimis rule:** The subpart F de minimis rule under current law excludes all gross income from foreign base company income or insurance income if the sum of the gross foreign base company income and the gross insurance income of the CFC for the taxable year is less than the lesser of five percent of gross income or \$1 million. The proposal would expand this rule to the lesser of 10 percent of gross income or \$2 million. The provision would apply to taxable years beginning after December 31, 1997.

**Section 208. Use U.S. GAAP for determining subpart F earnings and profits:** Taxpayers would be allowed to use U.S. generally accepted accounting principles to determine subpart F earnings and profits. The provision would apply to distributions during, and the determination of the inclusion under section 951 with respect to, taxable years of foreign

corporations beginning after December 31, 1997.

**Section 209. Clarify treatment of pipeline transportation income:** The proposal would exclude income from the pipeline transportation of oil or gas within a foreign country from the statutory definition of "foreign base company oil related income." The provision would apply to taxable years beginning after December 31, 1997.

**Section 210. Expand deduction for dividends from foreign corporations with U.S. income:** Under the proposal, the constructive ownership rules of section 318 would apply in determining whether the 80-percent ownership threshold of section 245(a)(5) is satisfied, and the term "dividend" would include subpart F inclusions. The provision would apply to taxable years beginning after December 31, 1997.

#### TITLE III—OTHER PROVISIONS

**Section 301. Translation, redetermination of foreign taxes:** Current law requires U.S. taxpayers making foreign tax payments to translate each payment made during the year into U.S. dollars at the exchange rate on the day of payment. The proposal would simplify this rule by generally permitting accrual-basis taxpayers to translate foreign taxes at the average exchange rate for the taxable year to which such taxes relate. In addition, it generally would provide for any subsequent adjustments to or refunds of accrued foreign taxes to be taken into account for the taxable year to which they relate. The provision would apply to taxes paid or accrued in taxable years beginning after December 31, 1997, and to taxes that relate to taxable years beginning after December 31, 1997.

**Section 302. Election to use simplified foreign tax credit calculation under AMT:** Taxpayers would be permitted to elect (with certain limitations) to use, as their alternative minimum tax (AMT) foreign tax credit limitation fraction, the ratio of foreign source regular taxable income to entire AMT income. This would eliminate the need to calculate a separate AMT foreign tax credit limitation. The election would apply to all subsequent taxable years and could be revoked only with IRS consent. The provision would apply to taxable years beginning after December 31, 1997.

**Section 303. Outbound transfers:** The excise tax under section 1491 on certain outbound transfers would be repealed and, in its place, full recognition of gain would be required on a covered transfer of property by a U.S. person to a foreign corporation, foreign partnership, or foreign estate or trust. The provision would apply to transfers after December 31, 1997.

**Section 304. Inbound transfers:** Regulatory authority generally would be provided to require income recognition, to the extent necessary to prevent U.S. federal income tax avoidance, in the case of certain otherwise tax-free corporate organizations, reorganizations, and liquidations in which the status of a foreign corporation as a corporation is a condition for nonrecognition by a party to the transaction. The provision would apply to transfers after December 31, 1997.

**Section 305. Increase in reporting threshold:** The ownership threshold triggering the requirement to file information returns regarding the organization or reorganization of foreign corporations and the acquisition of their stock would be increased from 5 percent to 10 percent, effective January 1, 1998.

**Section 306. Exempt foreign corporations from uniform capitalization rules:** Under the proposal, the uniform capitalization rules would apply to foreign taxpayers only for the purposes of subpart F or the taxation of income effectively connected with the conduct of a U.S. trade or business. The provision would

apply to taxable years beginning after December 31, 1996. Section 481 would not apply to any change in a method of accounting by reason of the provision.

*Section 307. Extend FTC carryforward:* The proposal would extend the carryforward period for excess foreign income taxes and extraction taxes from five years to 10 years. The provision would apply to excess foreign taxes for taxable years beginning after December 31, 1997.

*Section 308. Domestic loss recapture:* The proposal would make symmetrical the overall foreign loss provisions by recharacterizing overall domestic losses recaptured in subsequent years as foreign source income. The provision would apply to losses for taxable years beginning after December 31, 1997.

*Section 309. FSC rules for computer software and military property:* The proposal would clarify that computer software, whether or not patented, qualifies as export property eligible for FSC benefits. The provision would apply to sales, exchanges, or other dispositions after the date of enactment. Also, the proposal would remove the 50-percent limitation on foreign trading gross receipts attributable to military property. This amendment would apply to taxable years beginning after December 31, 1997.

*Section 310. Special rules for financial services income:* The foreign tax credit limitation provisions generally would be amended to exclude from high withholding tax interest any interest on a security held by a dealer in connection with its activities as such. The foreign tax credit limitation for financial services income would be amended to include the entire gross income of any person for which financial services income exceeds 80 percent of gross income. In addition, the section 904(g) source rules for U.S.-owned foreign property would be amended to exclude income derived by a securities dealer on securities. The proposals generally would apply to taxable years beginning after December 31, 1997. In the case of deemed paid credits, the proposal would apply to taxable years of foreign corporations beginning after December 31, 1997 and to taxable years of U.S. shareholders in such corporations with or within which such taxable years of foreign corporations end.

*Section 311. Exclusion of certain dealers' assets from section 956 definition of U.S. property:* The provision would exclude from the definition of "United States property" under section 956 certain assets acquired by a dealer in securities or commodities in the ordinary course of its trade or business. Excluded assets would include certain assets posted as collateral or margin, certain obligations of U.S. persons acquired in connection with a sale and repurchase agreement, and certain securities acquired and held by a CFC primarily for sale to customers. The provision would be effective for taxable years of foreign corporations beginning after December 31, 1997, and to taxable years of U.S. shareholders with or within which such taxable years of foreign corporations end.

*Section 312. Foreign investment in mutual funds:* The proposal generally would exempt from U.S. taxation certain dividends received by nonresident aliens or foreign corporations from regulated investment companies (RICs) to the extent the dividends are attributable to interest or short-term capital gains. Also, for U.S. estate tax purposes, the proposal would treat stock in certain RICs as property without the United States. Finally, the proposal would expand the special rules for REITs under section 897(h) to cover domestically controlled RICs as well. The first provision would apply to dividends with respect to taxable years of RICs beginning after the date of enactment; the other provisions generally would take effect on the date of enactment.

*Section 313. Exclude preliminary agreements from definition of intangible property:* The proposal would exclude from the section 936(h)(3)(B) definition of intangible property any "preliminary agreement" that is not legally enforceable. This provision would apply to agreements entered into after the date of enactment.

*Section 314. Study of affiliated group interest allocation:* The Treasury Department would be directed to conduct a study of the rules under section 864(e) for allocating interest expense of members of an affiliated group. This study would include an analysis of the effect of such rules, including the effects such rules have on different industries. A report would be required within six months.

Mr. BAUCUS. Mr. President, I am very pleased today to join my colleague, Senator HATCH, to introduce a bill to help American-owned companies compete in the world marketplace by simplifying our overly complicated international tax rules.

America's economic success depends more than ever before on our ability to succeed in the international economy. When I came to the Senate, imports and exports together made up about 12 percent of our economy. Today it is 30 percent and growing every day. So more jobs than ever depend on exports and overseas operations.

I have worked through the Trade Subcommittee to lower foreign trade barriers and encourage agreements to keep trade free and fair. I have sought to open foreign markets for Montana products like beef to wheat. And this work pays off.

According to a report prepared by the accounting firm Price Waterhouse last month, exports of goods alone in the United States in 1996 supported almost 7 million direct and indirect jobs and account for over 11 percent of our Gross Domestic Product. In Montana, these exports totaled almost one-half billion dollars and supported 58,000 jobs in 1996.

But while our trade policies have been successful in many areas, our Tax Code has failed to keep up. Its international provisions are outdated, unclear, complex, and duplicative. And the result is fewer jobs and less prosperity here at home.

So Senator HATCH and I have joined in an effort to simplify our Code, remove duplicative or outmoded provisions, and provide incentives for trade whenever possible.

This bill does not by any means cure all of the problems in the international tax arena. But it is a good starting point which simplifies existing law, reduces the cost of compliance, and begins to make rules more rational and more mindful of the competitiveness of U.S. businesses. The major provisions include:

Putting U.S. companies entering into joint ventures in foreign markets on an equal footing with their foreign competitors by eliminating the so-called 10-50 foreign tax credit basket rules.

Rationalizing the anti-deferral rules by eliminating provisions that duplicate other clauses of the Internal Revenue Code. This is essential if U.S. financial services companies

are to keep their leading edge in foreign markets.

Guaranteeing that the export tax incentive provided by the foreign sales corporation rules would apply to U.S. software sold overseas, and to approved sales of U.S.-made military goods overseas.

Putting mutual funds on the same footing as individual companies in their ability to attract foreign investors, increasing their investment capital.

And making it easier for utilities to bid for construction projects overseas.

These things will make us more efficient and more competitive. It will allow companies to put less effort into accounting and filling out tax forms, and more into producing, competing, and creating jobs. And that is what we need, today, and even more so tomorrow.

We live in a global economy, Mr. President, and we must help American companies compete in this economy if we hope to continue an expansion in which a quarter of our growth already comes from exports. The International Tax Simplification for American Competitiveness Act is a major step in that direction.

I look forward to working with Senator HATCH and my other colleagues on the Finance Committee to have its provisions incorporated into the reconciliation bill we will soon be considering.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. McCONNELL, Mr. SANTORUM, Mr. ROBERTS, Mr. COCHRAN, Mr. CRAIG, Mr. GRASSLEY, Mr. DASCHLE, Mr. LEAHY, Mr. KERREY, Mr. BAUCUS, Ms. LANDRIEU, Mr. JOHNSON, and Mr. CONRAD):

S. 845. A bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes; to the Committee on Governmental Affairs.

THE CENSUS OF AGRICULTURE ACT OF 1997

Mr. LUGAR. Mr. President, today I rise to introduce legislation that will transfer the census of agriculture from the Department of Commerce to the Department of Agriculture [USDA]. I am pleased that the distinguished ranking member of the Agriculture Committee, Senator HARKIN, as well as Senators McCONNELL, SANTORUM, DASCHLE, ROBERTS, LEAHY, KERREY, BAUCUS, LANDRIEU, COCHRAN, CONRAD, JOHNSON, CRAIG, and GRASSLEY have joined me as cosponsors of this bill.

In recent years the census of agriculture has been conducted every 5 years. Agricultural producers nationwide are asked questions regarding their production and sales. The census of agriculture is the only source of consistent, county level statistics on agricultural operations throughout the United States. It also provides national and State data. The census of agriculture is useful in monitoring the current status of, as well as documenting changes in, the agricultural industry. The number of farms, a major piece of data resulting from the census, is taken into account in the allocation of funding for several USDA programs.



Last year Congress provided funds to USDA to allow USDA, in cooperation with the Department of Commerce, to conduct the next census without any substantive changes in scope, coverage, or timing. This transfer of funding necessitates the transfer of the authority.

Transferring the authority for the census of agriculture to the USDA makes common sense. This move would integrate the agricultural statistics programs of the two Departments and eliminate duplication. USDA states that cost savings will result with one agency given primary authority over the content of the census as well as dissemination of its results.

The issue of moving the census surfaced during final conference committee deliberations on the 1996 Federal Agricultural Improvement and Reform Act. Given the time constraints of that conference, a provision to transfer the census of agriculture to USDA was not included in the bill. Subsequent legislation was passed by the House, but did not receive approval from the Senate before the end of the session.

Last year, the Department of Commerce expressed some interest in changing the definition of a farm, which is now defined as sales of \$1,000 or more per year. While USDA has stated there will be no substantive changes with how the upcoming census is carried out, it is more logical to provide the authority to set the definition to the Department whose programs would be most affected by a change.

Many agricultural associations and organizations, including the American Farm Bureau Federation, support the transfer of the census of agriculture to USDA. Last month, USDA proposed legislation which is virtually identical to this bill.

I ask my colleagues for their support of this legislation. I ask unanimous consent that the bill and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 845

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Census of Agriculture Act of 1997".

#### SEC. 2. TRANSFER TO THE SECRETARY OF AGRICULTURE OF THE AUTHORITY TO CONDUCT THE CENSUS OF AGRICULTURE.

(a) IN GENERAL.—Section 526 of the Revised Statutes (7 U.S.C. 2204) is amended by adding at the end the following:

"(c) CENSUS OF AGRICULTURE.—

"(1) IN GENERAL.—In 1998 and every 5th year thereafter, the Secretary of Agriculture shall take a census of agriculture.

"(2) METHODS.—In connection with the census, the Secretary may conduct any survey or other data collection, and employ any sampling or other statistical method, that the Secretary determines is appropriate.

"(3) YEAR OF DATA.—The data collected in each census taken under this subsection

shall relate to the year immediately preceding the year in which the census is taken.

"(4) ENFORCEMENT.—

"(A) FRAUD.—A person over 18 years of age who willfully gives an answer that is false to a question submitted to the person in connection with a census under this subsection shall be fined not more than \$500.

"(B) REFUSAL OR NEGLECT TO ANSWER QUESTIONS.—A person over 18 years of age who refuses or neglects to answer a question submitted to the person in connection with a census under this subsection shall be fined not more than \$100.

"(C) SOCIAL SECURITY NUMBER.—The failure or refusal of a person to disclose the person's social security number in response to a request made in connection with any census or other activity under this subsection shall not be a violation under this paragraph.

"(D) RELIGIOUS INFORMATION.—Notwithstanding any other provision of this subsection, no person shall be compelled to disclose information relative to the religious beliefs of the person or to membership of the person in a religious body.

"(5) GEOGRAPHIC COVERAGE.—A census under this subsection shall include—

"(A) each of the several States of the United States;

"(B) as determined by the Secretary, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, and Guam; and

"(C) with the concurrence of the Secretary and the Secretary of State, any other possession or area over which the United States exercises jurisdiction, control, or sovereignty.

"(6) COOPERATION WITH THE SECRETARY OF COMMERCE.—

"(A) INFORMATION PROVIDED TO THE SECRETARY OF AGRICULTURE.—The Secretary of Commerce may, on a written request by the Secretary of Agriculture, provide to the Secretary of Agriculture any information collected under title 13, United States Code, that the Secretary of Agriculture considers necessary for the taking of a census or survey under this subsection.

"(B) INFORMATION PROVIDED TO THE SECRETARY OF COMMERCE.—The Secretary of Agriculture may, on a written request by the Secretary of Commerce, provide to the Secretary of Commerce any information collected in a census taken under this subsection that the Secretary of Commerce considers necessary for the taking of a census or survey under title 13, United States Code.

"(C) CONFIDENTIALITY.—

"(i) IN GENERAL.—Information obtained under this paragraph may not be used for any purpose other than the statistical purposes for which the information is supplied.

"(ii) CENSUS INFORMATION.—For purposes of sections 9 and 214 of title 13, United States Code, any information provided under subparagraph (B) shall be considered information furnished under the provisions of title 13, United States Code.

"(7) REGULATIONS.—A regulation necessary to carry out this subsection may be promulgated by—

"(A) the Secretary of Agriculture, to the extent that a matter under the jurisdiction of the Secretary is involved; and

"(B) the Secretary of Commerce, to the extent that a matter under the jurisdiction of the Secretary of Commerce is involved."

(b) CONFORMING AMENDMENTS.—

(1)(A) Subchapter II of chapter 5 of title 13, United States Code, is amended by striking the subchapter heading and inserting the following:

"SUBCHAPTER II—POPULATION, HOUSING, AND UNEMPLOYMENT".

(B) Section 142 of title 13, United States Code, is repealed.

(C) The analysis of chapter 5 of title 13, United States Code, is amended—

(i) by striking the item relating to the heading for subchapter II and inserting the following:

"SUBCHAPTER II—POPULATION, HOUSING, AND UNEMPLOYMENT";

(ii) by striking the item relating to section 142; and

(iii) by inserting after the item relating to section 161 the following:

"163. Authority of other agencies."

(2) Section 343(a)(11)(F) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(11)(F)) is amended by striking "taken under section 142 of title 13, United States Code".

#### SEC. 3. CONFIDENTIALITY OF INFORMATION.

(a) INFORMATION PROVIDED TO THE SECRETARY OF AGRICULTURE.—

(1) AUTHORITY TO PROVIDE INFORMATION.—Section 9(a) of title 13, United States Code, is amended by inserting after "chapter 10 of this title" the following: "or section 526(c)(6) of the Revised Statutes (7 U.S.C. 2204(c)(6))".

(2) CONFIDENTIALITY OF INFORMATION.—Section 1770(d) of the Food Security Act of 1985 (7 U.S.C. 2276(d)) is amended by striking paragraph (5) and inserting the following:

"(5) subsections (a) and (c) of section 526 of the Revised Statutes (7 U.S.C. 2204);".

(b) INFORMATION PROVIDED TO THE SECRETARY OF COMMERCE.—Section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276) is amended by adding at the end the following:

"(e) INFORMATION PROVIDED TO THE SECRETARY OF COMMERCE.—This section shall not prohibit the release of information under section 526(c)(6) of the Revised Statutes (7 U.S.C. 2204(c)(6))."

#### AG CENSUS BILL—SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. Section 1 would provide that the act may be cited as the "Census of Agriculture Act of 1997."

Section 2. Transfer to the Secretary of Agriculture of the Authority To Conduct the Census of Agriculture. Section 2(a) would amend section 526 of the Revised Statutes (7 U.S.C. 2204) to require the Secretary of Agriculture to take a census of agriculture in 1998 and every 5th year thereafter. The data collected in each census would relate to the year preceding the year that the census was taken. Any person who refuses to answer or provides false answers to questions in connection with the census would be subject to penalties, except if the refusal is to disclose the person's social security number.

Section 2(a) also would authorize the Secretaries of Agriculture and Commerce to share information necessary for taking a census. Upon written request by the Secretary of Agriculture, the Secretary of Commerce would be authorized to furnish certain information to be used for statistical purposes. Upon written request by the Secretary of Commerce, the Secretary of Agriculture would be authorized to furnish census information to be used for statistical purposes.

Section 2(b) would repeal section 142 of title 13, United States Code. Section 142 of title 13, United States Code, requires the Secretary of Commerce to take the census of agriculture. This repeal is a confirming amendment necessary to effectuate the transfer of the authority to conduct the census of agriculture from the Secretary of Commerce to the Secretary of Agriculture. Section 2(b) also would make a conforming amendment to the Consolidated Farm and Rural Development Act to refer to the census of agriculture as under section 526(c) of the Revised Statutes.

Section 3. Confidentiality of Information. Section 3 would make amendments to ensure

the confidentiality of information furnished for the census of agriculture.

By Mr. AKAKA:

S. 846. A bill to amend the Federal Power Act to remove the jurisdiction of the Federal Energy Regulatory Commission to license projects on fresh waters in the State of Hawaii; to the Committee on Energy and Natural Resources.

THE FEDERAL POWER ACT AMENDMENT ACT OF  
1997

Mr. AKAKA. Madam President, the State of Hawaii, its delegation in Congress, and conservation organizations throughout the State are deeply concerned about Federal efforts to regulate hydroelectric projects on State waters. Across the United States, the question of who should have authority for hydropower regulation—the State or the Federal Government—is very contentious. But in the case of the fresh water streams of Hawaii, the answer is clear. The State of Hawaii, not the Federal Energy Regulatory Commission, should have the authority for hydropower regulation in Hawaii, if the Commission finds it has no mandatory jurisdiction under the Federal Power Act.

Those who care for Hawaii's rivers and streams recognize that unnecessary Federal intervention may have serious repercussions for our fresh water resources and the ecosystems that depend upon them.

The State of Hawaii has demonstrated its commitment to protect stream resources by instituting a new water code, adopting instream flow standards, launching a comprehensive Hawaii stream assessment, and organizing a stream protection and management task force.

The Federal interest in protecting the vast interconnected river system of North America is misplaced in our isolated mid-Pacific locale. The issues of interstate commerce, protecting military ports, or long interstate rivers are not applicable.

Therefore, I am introducing legislation to terminate FERC's voluntary jurisdiction over hydropower projects on the fresh waters of the State of Hawaii. This legislation is nearly identical to one passed by the Senate during the 103d Congress. In 104th Congress, the Senate Energy and Natural Resources Committee again approved the bill. I will continue to fight for the passage of this legislation in the 105th Congress.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. BROWNBAC, Mr. ASHCROFT, Mr. COVERDELL, and Mr. GREGG):

S. 847. A bill to provide scholarship assistance for District of Columbia elementary and secondary school students; to the Committee on Governmental Affairs.

THE DISTRICT OF COLUMBIA STUDENT  
OPPORTUNITY SCHOLARSHIP ACT OF 1997

Mr. COATS. Mr. President, today is a very important day for students in the

District of Columbia. Today, I join Senator LIEBERMAN, Senator BROWNBAC, Senator ASHCROFT, and Senator GREGG in introducing the District of Columbia Student Opportunity Scholarship Act of 1997, also known as the DC SOS Act. The DC SOS Act provides immediate relief to thousands of the District's neediest students who are consigned to failing, violent public schools. This bill is a direct response to the needs of thousands of families in our Capital City who have, for too long, been expected to accept underperforming and often violent schools for their children. The DC SOS Act provides real educational opportunities to almost 4,000 District students.

Many of you may remember that a very similar initiative was introduced by former Representative Gunderson, and included in the 1996 D.C. appropriations bill. At that time, a majority of the Senate, 56 Senators in all, were supportive of the idea to provide scholarships to poor students in the District of Columbia. Tragically, that program, which would have benefited 5,000 of our Nation's most needy students, was blocked by the threat of a filibuster.

During the 1996 D.C. Appropriations debate, many of those who opposed providing scholarships for poor District students argued that the initiative was opposed by the residents of the District. That argument cannot be used this time. A recent bipartisan survey conducted in the District of Columbia found that fully 64 percent of Washingtonians would send their children to private school if they had the option and if money were not an issue; 61 percent of single parents think that creating a school choice program for the District is an excellent or good use of taxpayer dollars. And those most likely to opt out of the public system are residents of the wards 7 and 8, the areas with the most troubled public schools. Clearly, the residents of the District are ready for a change.

But these surveys should not surprise us. The D.C. schools have not improved since the defeat of the D.C. scholarship program in 1996. Rather, the schools got so bad that the D.C. Control Board fired Superintendent Franklin Smith, stripped control of the school from the D.C. Board of Education, and installed a new Chief Executive and Superintendent, retired Army Gen. Julius W. Becton, Jr. Perhaps General Becton can turn the D.C. school system around. But I am not willing to tell a family who fears for the safety of their child that they should wait and given General Becton 5 or 10 years to test his approaches, especially because changes have been promised by five new superintendents in the last 15 years.

In February of this year, the Washington Post ran a five-part series on the D.C. school system, chronicling its complete breakdown. A school system where jobs for bureaucrats are more important than providing textbooks. A school system that employs almost nine times more central office adminis-

trators than the national average, despite a decreasing student population, and a shortage of qualified teachers and principals.

Many of the district's 152 schools are in a state of terrible disrepair. Students and teachers contend with leaking roofs, bitterly cold classrooms, and thousands of fire code violations. Yet, in 1996, the D.C. Board of Education allocated \$1.4 million for its own use, an amount far greater than that spent by neighboring counties, and \$200,000 more than is spent by the Chicago school system, which is five times larger.

Unfortunately, these problems of infrastructure are minor concerns compared to violence and basic educational failure. Violence in the schools is at an alltime high—both student on student, and student on teacher—even as the violent crime rate in the country as a whole drops. And stories of academic mediocrity have become so common that they have lost their power to shock. Why is there no public outcry that the D.C. school district, which spends the most per pupil of any district in the country, has the Nation's lowest reported scores on the NAEP exams? Where is the outrage that only 35 percent of students are reading at grade level?

Students are routinely promoted regardless of whether they have progressed in their studies and graduate from the school system with little to show for their 12 years of schooling. Eighty-five percent of D.C. public school graduates who enter the University of the District of Columbia need 2 years of remedial education before beginning their course work toward degrees. And more than half of all graduates who took the U.S. Armed Forces Qualification Test in 1994 failed. This last statistic is particularly troubling, because it blocks a traditional escape route from disadvantage.

We are asking poor, inner-city children and their parents to tolerate circumstances that most middle-class and affluent Americans would not tolerate for one moment. Why should these families have to suffer violence and the lack of educational opportunities for another week, let alone the years that General Becton himself admits it will be before reform has any effect?

But those of us concerned about this issue face an obstacle. No one seems outraged enough about the betrayal of these children by indifferent adults to make major changes. Not suburban whites, who are often satisfied with their schools. Not politicians, some of whom are either blindly obedient to teachers unions or may simply have different political constituencies than these kids and their parents.

The DC SOS Act is an attempt to end this conspiracy of complacency. In introducing this bill today, I join with a coalition of members in both House of Congress who seek to provide scholarships for low-income students in the District of Columbia to enable them to attend the public or private school of

their choice or to receive tutoring assistance. This bill is the single most practical, immediate, effective way to help actual children, with flesh and blood and futures, rather than continuing to ignore this very serious situation.

I find it inconceivable that anyone, in good conscience, could condemn the District's low income children to attend schools that not only fail to educate them, but cannot even assure their personal safety. Some of the public schools in this city have become wastelands of violence and despair. We cannot begin to imagine the fears of a mother who is forced, required, compelled to send her child through barbed wire and metal detectors into a combat zone, masquerading as an educational institution.

The introduction, and ultimate passage of this bill, will signal a fundamental shift in priorities. It would indicate to parents in the District of Columbia and all across America that we care about their children more than we care about maintaining the status quo; that we understand the depth of the problem in our Nation's public schools and that we are finally willing to address it.

Opponents of this bill should carefully consider what they would do if they had a child assigned to a school where physical attacks, robberies, and drug sales were rampant. Low-income parents, who face this circumstance every day, deserve a voice and a choice.

I urge my colleagues to join me in supporting the D.C. Student Opportunity Scholarship Act of 1997. With this bill we signal our intention to provide a safe and effective school for every child in the District of Columbia.

Mr. President, I ask unanimous consent that this act, the District of Columbia Student Opportunity Scholarship Act of 1997, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 847

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

# **SECTION 1. SHORT TITLE; FINDINGS; PRECEDENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the "District of Columbia Student Opportunity Scholarship Act of 1997".

(b) **FINDINGS.**—Congress makes the following findings:

(1) Public education in the District of Columbia is in a crisis, as evidenced by the following:

(A) The District of Columbia schools have the lowest average of any school system in the Nation on the National Assessment of Education Progress.

(B) 72 percent of fourth graders in the District of Columbia tested below basic proficiency on the National Assessment of Education Progress in 1994.

(C) Since 1991, there has been a net decline in the reading skills of District of Columbia students as measured in scores on the standardized Comprehensive Test of Basic Skills.

(D) At least 40 percent of District of Columbia students drop out of or leave the school system before graduation.

(E) The National Education Goals Panel reported in 1996 that both students and teachers in District of Columbia schools are subjected to levels of violence that are twice the national average.

(F) Nearly two-thirds of District of Columbia teachers reported that violent student behavior is a serious impediment to teaching.

(G) Many of the District of Columbia's 152 schools are in a state of terrible disrepair, including leaking roofs, bitterly cold classrooms, and numerous fire code violations.

(2) Significant improvements in the education of educationally deprived children in the District of Columbia can be accomplished by—

(A) increasing educational opportunities for the children by expanding the range of educational choices that best meet the needs of the children;

(B) fostering diversity and competition among school programs for the children;

(C) providing the families of the children more of the educational choices already available to affluent families; and

(D) enhancing the overall quality of education in the District of Columbia by increasing parental involvement in the direction of the education of the children.

(3) The 350 private schools in the District of Columbia and the surrounding area offer a more safe and stable learning environment than many of the public schools.

(4) Costs are often much lower in private schools than corresponding costs in public schools.

(5) Not all children are alike and therefore there is no one school or program that fits the needs of all children.

(6) The formation of sound values and moral character is crucial to helping young people escape from lives of poverty, family break-up, drug abuse, crime, and school failure.

(7) In addition to offering knowledge and skills, education should contribute positively to the formation of the internal norms and values which are vital to a child's success in life and to the well-being of society.

(8) Schools should help to provide young people with a sound moral foundation which is consistent with the values of their parents. To find such a school, parents need a full range of choice to determine where their children can best be educated.

(c) **PRECEDENTS.**—The United States Supreme Court has determined that programs giving parents choice and increased input in their children's education, including the choice of a religious education, do not violate the Constitution. The Supreme Court has held that as long as the beneficiary decides where education funds will be spent on such individual's behalf, public funds can be used for education in a religious institution because the public entity has neither advanced nor hindered a particular religion and therefore has not violated the establishment clause of the first amendment to the Constitution. Supreme Court precedents include—

(1) *Wisconsin v. Yoder*, 406 U.S. 205 (1972); *Pierce v. Society of Sisters*, 268 U.S. 510 (1925); and *Meyer v. Nebraska*, 262 U.S. 390 (1923) which held that parents have the primary role in and are the primary decision makers in all areas regarding the education and upbringing of their children;

(2) *Mueller v. Allen*, 463 U.S. 388 (1983) which declared a Minnesota tax deduction program that provided State income tax benefits for educational expenditures by parents, including tuition in religiously affiliated schools, does not violate the Constitution;

(3) *Witters v. Department of Services for the Blind*, 474 U.S. 481 (1986) in which the Su-

preme Court ruled unanimously that public funds for the vocational training of the blind could be used at a Bible college for ministry training; and

(4) *Zobrest v. Catalina Foothills School District*, 509 U.S. 1 (1993) which held that a deaf child could receive an interpreter, paid for by the public, in a private religiously affiliated school under the Individual with Disabilities Education Act (20 U.S.C. 1400 et seq.). The case held that providing an interpreter in a religiously affiliated school did not violate the establishment clause of the first amendment of the Constitution.

## **SEC. 2. DEFINITIONS.**

As used in this Act—

(1) the term "Board" means the Board of Directors of the Corporation established under section 3(b)(1);

(2) the term "Corporation" means the District of Columbia Scholarship Corporation established under section 3(a);

(3) the term "eligible institution"—

(A) in the case of an eligible institution serving a student who receives a tuition scholarship under section 4(d)(1), means a public, private, or independent elementary or secondary school; and

(B) in the case of an eligible institution serving a student who receives an enhanced achievement scholarship under section 4(d)(2), means an elementary or secondary school, or an entity that provides services to a student enrolled in an elementary or secondary school to enhance such student's achievement through activities described in section 4(d)(2); and

(4) the term "poverty line" means the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

## **SEC. 3. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORATION.**

(a) **GENERAL REQUIREMENTS.**—

(1) **IN GENERAL.**—There is authorized to be established a private, nonprofit corporation, to be known as the "District of Columbia Scholarship Corporation", which is neither an agency nor establishment of the United States Government or the District of Columbia Government.

(2) **DUTIES.**—The Corporation shall have the responsibility and authority to administer, publicize, and evaluate the scholarship program in accordance with this Act, and to determine student and school eligibility for participation in such program.

(3) **CONSULTATION.**—The Corporation shall exercise its authority—

(A) in a manner consistent with maximizing educational opportunities for the maximum number of interested families; and

(B) in consultation with the District of Columbia Board of Education or entity exercising administrative jurisdiction over the District of Columbia Public Schools, the Superintendent of the District of Columbia Public Schools, and other school scholarship programs in the District of Columbia.

(4) **APPLICATION OF PROVISIONS.**—The Corporation shall be subject to the provisions of this Act, and, to the extent consistent with this Act, to the District of Columbia Non-profit Corporation Act (D.C. Code, sec. 29-501 et seq.).

(5) **RESIDENCE.**—The Corporation shall have its place of business in the District of Columbia and shall be considered, for purposes of venue in civil actions, to be a resident of the District of Columbia.

(6) **FUND.**—There is established in the Treasury a fund that shall be known as the District of Columbia Scholarship Fund, to be administered by the Secretary of the Treasury.

(7) **DISBURSEMENT.**—The Secretary of the Treasury shall make available and disburse to the Corporation, before October 15 of each fiscal year or not later than 15 days after the date of enactment of an Act making appropriations for the District of Columbia for such year, whichever occurs later, such funds as have been appropriated to the District of Columbia Scholarship Fund for the fiscal year in which such disbursement is made.

(8) **AVAILABILITY.**—Funds authorized to be appropriated under this Act shall remain available until expended.

(9) **USES.**—Funds authorized to be appropriated under this Act shall be used by the Corporation in a prudent and financially responsible manner, solely for scholarships, contracts, and administrative costs.

(10) **AUTHORIZATION.**—

(A) **IN GENERAL.**—There are authorized to be appropriated under this Act to the District of Columbia Scholarship Fund—

(i) \$7,000,000 for fiscal year 1998;

(ii) \$8,000,000 for fiscal year 1999; and

(iii) \$10,000,000 for each of fiscal years 2000 through 2002.

(B) **LIMITATION.**—Not more than \$500,000 of the amount appropriated to carry out this Act for any fiscal year may be used by the Corporation for any purpose other than assistance to students.

(b) **ORGANIZATION AND MANAGEMENT; BOARD OF DIRECTORS.**—

(1) **BOARD OF DIRECTORS; MEMBERSHIP.**—

(A) **IN GENERAL.**—The Corporation shall have a Board of Directors (referred to in this Act as the “Board”), comprised of 7 members with 6 members of the Board appointed by the President not later than 30 days after receipt of nominations from the Speaker of the House of Representatives and the majority leader of the Senate.

(B) **HOUSE NOMINATIONS.**—The President shall appoint 3 of the members from a list of 9 individuals nominated by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives.

(C) **SENATE NOMINATIONS.**—The President shall appoint 3 members from a list of 9 individuals nominated by the majority leader of the Senate in consultation with the minority leader of the Senate.

(D) **DEADLINE.**—The Speaker of the House of Representatives and majority leader of the Senate shall submit their nominations to the President not later than 30 days after the date of the enactment of this Act.

(E) **APPOINTEE OF MAYOR.**—The Mayor shall appoint 1 member of the Board not later than 60 days after the date of the enactment of this Act.

(F) **POSSIBLE INTERIM MEMBERS.**—If the President does not appoint the 6 members of the Board in the 30-day period described in subparagraph (A), then the Speaker of the House of Representatives and the Majority Leader of the Senate shall each appoint 2 members of the Board, and the Minority Leader of the House of Representatives and the Minority Leader of the Senate shall each appoint 1 of the Board, from among the individuals nominated pursuant to subparagraphs (A) and (B), as the case may be. The appointees under the preceding sentence together with the appointee of the Mayor, shall serve as an interim Board with all the powers and other duties of the Board described in this Act, until the President makes the appointments as described in this subsection.

(2) **POWERS.**—All powers of the Corporation shall vest in and be exercised under the authority of the Board.

(3) **ELECTIONS.**—Members of the Board annually shall elect 1 of the members of the Board to be chairperson of the Board.

(4) **RESIDENCY.**—All members appointed to the Board shall be residents of the District of Columbia at the time of appointment and while serving on the Board.

(5) **NONEMPLOYEE.**—No member of the Board may be an employee of the United States Government or the District of Columbia Government when appointed to or during tenure on the Board, unless the individual is on a leave of absence from such a position while serving on the Board.

(6) **INCORPORATION.**—The members of the initial Board shall serve as incorporators and shall take whatever steps are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–501 et seq.).

(7) **GENERAL TERM.**—The term of office of each member of the Board shall be 5 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor was appointed shall be appointed for the remainder of such term.

(8) **CONSECUTIVE TERM.**—No member of the Board shall be eligible to serve in excess of 2 consecutive terms of 5 years each. A partial term shall be considered as 1 full term. Any vacancy on the Board shall not affect the Board's power, but shall be filled in a manner consistent with this Act.

(9) **NO BENEFIT.**—No part of the income or assets of the Corporation shall inure to the benefit of any Director, officer, or employee of the Corporation, except as salary or reasonable compensation for services.

(10) **POLITICAL ACTIVITY.**—The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(11) **NO OFFICERS OR EMPLOYEES.**—The members of the Board shall not, by reason of such membership, be considered to be officers or employees of the United States Government or of the District of Columbia Government.

(12) **STIPENDS.**—The members of the Board, while attending meetings of the Board or while engaged in duties related to such meetings or other activities of the Board pursuant to this Act, shall be provided a stipend. Such stipend shall be at the rate of \$150 per day for which the member of the Board is officially recorded as having worked, except that no member may be paid a total stipend amount in any calendar year in excess of \$5,000.

(c) **OFFICERS AND STAFF.**—

(1) **EXECUTIVE DIRECTOR.**—The Corporation shall have an Executive Director, and such other staff, as may be appointed by the Board for terms and at rates of compensation, not to exceed level EG–16 of the Educational Service of the District of Columbia, to be fixed by the Board.

(2) **STAFF.**—With the approval of the Board, the Executive Director may appoint and fix the salary of such additional personnel as the Executive Director considers appropriate.

(3) **ANNUAL RATE.**—No staff of the Corporation may be compensated by the Corporation at an annual rate of pay greater than the annual rate of pay of the Executive Director.

(4) **SERVICE.**—All officers and employees of the Corporation shall serve at the pleasure of the Board.

(5) **QUALIFICATION.**—No political test or qualification may be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Corporation.

(d) **POWERS OF THE CORPORATION.**—

(1) **GENERALLY.**—The Corporation is authorized to obtain grants from, and make contracts with, individuals and with private, State, and Federal agencies, organizations, and institutions.

(2) **HIRING AUTHORITY.**—The Corporation may hire, or accept the voluntary services of, consultants, experts, advisory boards, and panels to aid the Corporation in carrying out this Act.

(e) **FINANCIAL MANAGEMENT AND RECORDS.**—

(1) **AUDITS.**—The financial statements of the Corporation shall be—

(A) maintained in accordance with generally accepted accounting principles for nonprofit corporations; and

(B) audited annually by independent certified public accountants.

(2) **REPORT.**—The report for each such audit shall be included in the annual report to Congress required by section 13(c).

#### **SEC. 4. SCHOLARSHIPS AUTHORIZED.**

(a) **ELIGIBLE STUDENTS.**—The Corporation is authorized to award tuition scholarships under subsection (d)(1) and enhanced achievement scholarships under subsection (d)(2) to students in kindergarten through grade 12—

(1) who are residents of the District of Columbia; and

(2) whose family income does not exceed 185 percent of the poverty line.

(b) **SCHOLARSHIP PRIORITY.**—

(1) **FIRST.**—The Corporation shall first award scholarships to students described in subsection (a) who—

(A) are enrolled in a District of Columbia public school or preparing to enter a District of Columbia kindergarten, except that this subparagraph shall apply only for academic years 1997, 1998, and 1999; or

(B) have received a scholarship from the Corporation in the year preceding the year for which the scholarship is awarded.

(2) **SECOND.**—If funds remain for a fiscal year for awarding scholarships after awarding scholarships under paragraph (1), the Corporation shall award scholarships to students described in subsection (a) who are not described in paragraph (1).

(c) **SPECIAL RULE.**—The Corporation shall attempt to ensure an equitable distribution of scholarship funds to students at diverse academic achievement levels.

(d) **USE OF SCHOLARSHIP.**—

(1) **TUITION SCHOLARSHIPS.**—A tuition scholarship may be used for the payment of the cost of the tuition and mandatory fees at a public, private, or independent school located within the geographic boundaries of the District of Columbia or the cost of the tuition and mandatory fees at a public, private, or independent school located within Montgomery County, Maryland; Prince Georges County, Maryland; Arlington County, Virginia; Alexandria City, Virginia; Falls Church City, Virginia; or Fairfax County, Virginia.

(2) **ENHANCED ACHIEVEMENT SCHOLARSHIP.**—An enhanced achievement scholarship may be used only for the payment of the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction provided by an eligible institution which enhances student achievement of the core curriculum and is operated outside of regular school hours to supplement the regular school program.

(e) **NOT SCHOOL AID.**—A scholarship under this Act shall be considered assistance to the student and shall not be considered assistance to an eligible institution.

#### **SEC. 5. SCHOLARSHIP PAYMENTS AND AMOUNTS.**

(a) **AWARDS.**—From the funds made available under this Act, the Corporation shall award a scholarship to a student and make payments in accordance with section 10 on behalf of such student to a participating eligible institution chosen by the parent of the student.

(b) **NOTIFICATION.**—Each eligible institution that desires to receive payment under

subsection (a) shall notify the Corporation not later than 10 days after—

(1) the date that a student receiving a scholarship under this Act is enrolled, of the name, address, and grade level of such student;

(2) the date of the withdrawal or expulsion of any student receiving a scholarship under this Act, of the withdrawal or expulsion; and

(3) the date that a student receiving a scholarship under this Act is refused admission, of the reasons for such a refusal.

(c) TUITION SCHOLARSHIP.—

(1) EQUAL TO OR BELOW POVERTY LINE.—For a student whose family income is equal to or below the poverty line, a tuition scholarship may not exceed the lesser of—

(A) the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

(B) \$3,200 for fiscal year 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

(2) ABOVE POVERTY LINE.—For a student whose family income is greater than the poverty line, but not more than 185 percent of the poverty line, a tuition scholarship may not exceed the lesser of—

(A) 75 percent of the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

(B) \$2,400 for fiscal year 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

(d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An enhanced achievement scholarship may not exceed the lesser of—

(1) the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction at an eligible institution; or

(2) \$500 for 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

**SEC. 6. CERTIFICATION OF ELIGIBLE INSTITUTIONS.**

(a) APPLICATION.—An eligible institution that desires to receive a payment on behalf of a student who receives a scholarship under this Act shall file an application with the Corporation for certification for participation in the scholarship program under this Act. Each such application shall—

(1) demonstrate that the eligible institution has operated with not less than 25 students during the 3 years preceding the year for which the determination is made unless the eligible institution is applying for certification as a new eligible institution under subsection (c);

(2) contain an assurance that the eligible institution will comply with all applicable requirements of this Act;

(3) contain an annual statement of the eligible institution's budget; and

(4) describe the eligible institution's proposed program, including personnel qualifications and fees.

(b) CERTIFICATION.—

(1) IN GENERAL.—Except as provided in paragraph (3), not later than 60 days after receipt of an application in accordance with subsection (a), the Corporation shall certify an eligible institution to participate in the scholarship program under this Act.

(2) CONTINUATION.—An eligible institution's certification to participate in the scholarship program shall continue unless such eligible institution's certification is revoked in accordance with subsection (d).

(c) NEW ELIGIBLE INSTITUTION.—

(1) IN GENERAL.—An eligible institution that did not operate with at least 25 students in the 3 years preceding the year for which the determination is made may apply for a 1-year provisional certification to participate in the scholarship program under this Act for a single year by providing to the Corporation not later than July 1 of the year preceding the year for which the determination is made—

(A) a list of the eligible institution's board of directors;

(B) letters of support from not less than 10 members of the community served by such eligible institution;

(C) a business plan;

(D) an intended course of study;

(E) assurances that the eligible institution will begin operations with not less than 25 students;

(F) assurances that the eligible institution will comply with all applicable requirements of this Act; and

(G) a statement that satisfies the requirements of paragraphs (2) and (4) of subsection (a).

(2) CERTIFICATION.—Not later than 60 days after the date of receipt of an application described in paragraph (1), the Corporation shall certify in writing the eligible institution's provisional certification to participate in the scholarship program under this Act unless the Corporation determines that good cause exists to deny certification.

(3) RENEWAL OF PROVISIONAL CERTIFICATION.—After receipt of an application under paragraph (1) from an eligible institution that includes a statement of the eligible institution's budget completed not earlier than 12 months before the date such application is filed, the Corporation shall renew an eligible institution's provisional certification for the second and third years of the school's participation in the scholarship program under this Act unless the Corporation finds—

(A) good cause to deny the renewal, including a finding of a pattern of violation of requirements described in section 7(a); or

(B) consistent failure of 25 percent or more of the students receiving scholarships under this Act and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

(4) DENIAL OF CERTIFICATION.—If provisional certification or renewal of provisional certification under this subsection is denied, then the Corporation shall provide a written explanation to the eligible institution of the reasons for such denial.

(d) REVOCATION OF ELIGIBILITY.—

(1) IN GENERAL.—The Corporation, after notice and hearing, may revoke an eligible institution's certification to participate in the scholarship program under this Act for a year succeeding the year for which the determination is made for—

(A) good cause, including a finding of a pattern of violation of program requirements described in section 7(a); or

(B) consistent failure of 25 percent or more of the students receiving scholarships under this Act and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

(2) EXPLANATION.—If the certification of an eligible institution is revoked, the Corporation shall provide a written explanation of its decision to such eligible institution and require a pro rata refund of the payments received under this Act.

**SEC. 7. PARTICIPATION REQUIREMENTS FOR ELIGIBLE INSTITUTIONS.**

(a) REQUIREMENTS.—Each eligible institution participating in the scholarship program under this Act shall—

(1) provide to the Corporation not later than June 30 of each year the most recent

annual statement of the eligible institution's budget; and

(2) charge a student that receives a scholarship under this Act not more than the cost of tuition and mandatory fees for, and transportation to attend, such eligible institution as other students who are residents of the District of Columbia and enrolled in such eligible institution.

(b) COMPLIANCE.—The Corporation may require documentation of compliance with the requirements of subsection (a), but neither the Corporation nor any governmental entity may impose additional requirements upon an eligible institution as a condition of participation in the scholarship program under this Act.

**SEC. 8. CIVIL RIGHTS.**

(a) IN GENERAL.—An eligible institution participating in the scholarship program under this Act shall comply with title IV of the Civil Rights Act of 1964 and not discriminate on the basis of race, color, or national origin.

(b) REVOCATION.—Notwithstanding section 7(b), if the Secretary of Education determines that an eligible institution participating in the scholarship program under this Act is in violation of any of the laws listed in subsection (a), then the Corporation shall revoke such eligible institution's certification to participate in the program.

**SEC. 9. CHILDREN WITH DISABILITIES.**

Nothing in this Act shall affect the rights of students, or the obligations of the District of Columbia public schools, under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

**SEC. 10. SCHOLARSHIP PAYMENTS.**

(a) IN GENERAL.—

(1) PROPORTIONAL PAYMENT.—The Corporation shall make scholarship payments to participating eligible institutions for an academic year in 2 installments. The Corporation shall make the first payment not later than October 15 of the academic year in an amount equal to one-half the total amount of the scholarship assistance awarded to students enrolled at such institution for the academic year. The Corporation shall make the second payment not later than January 15 of the academic year in an amount equal to one-half of such total amount.

(2) PRO RATA AMOUNTS FOR STUDENT WITHDRAWAL.—

(A) BEFORE PAYMENT.—If a student receiving a scholarship withdraws or is expelled from an eligible institution before a scholarship payment is made, the eligible institution shall receive a pro rata payment based on the amount of the scholarship and the number of days the student was enrolled in the eligible institution.

(B) AFTER PAYMENT.—If a student receiving a scholarship withdraws or is expelled after a scholarship payment is made, the eligible institution shall refund to the Corporation on a pro rata basis the proportion of any scholarship payment received for the remaining days of the school year. Such refund shall occur not later than 30 days after the date of the withdrawal or expulsion of the student.

(b) FUND TRANSFERS.—The Corporation shall make scholarship payments to participating eligible institutions by electronic funds transfer. If such an arrangement is not available, then the eligible institution shall submit an alternative payment proposal to the Corporation for approval.

**SEC. 11. APPLICATION SCHEDULE AND PROCEDURES.**

The Corporation shall implement a schedule and procedures for processing applications for awarding student scholarships under this Act that includes a list of certified eligible institutions, distribution of information to parents and the general public

(including through a newspaper of general circulation), and deadlines for steps in the scholarship application and award process.

#### SEC. 12. REPORTING REQUIREMENTS.

(a) **IN GENERAL.**—An eligible institution participating in the scholarship program under this Act shall report not later than July 30 of each year in a manner prescribed by the Corporation, the following data:

(1) Student achievement in the eligible institution's programs.

(2) Grade advancement for scholarship students.

(3) Disciplinary actions taken with respect to scholarship students.

(4) Graduation, college admission test scores, and college admission rates, if applicable for scholarship students.

(5) Types and amounts of parental involvement required for all families of scholarship students.

(6) Student attendance for scholarship and non-scholarship students.

(7) General information on curriculum, programs, facilities, credentials of personnel, and disciplinary rules at the eligible institution.

(8) Number of scholarship students enrolled.

(9) Such other information as may be required by the Corporation for program appraisal.

(b) **CONFIDENTIALITY.**—No personal identifiers may be used in such report, except that the Corporation may request such personal identifiers solely for the purpose of verification.

#### SEC. 13. PROGRAM APPRAISAL.

(a) **STUDY.**—Not later than 4 years after the date of enactment of this Act, the Comptroller General shall enter into a contract, with an evaluating agency that has demonstrated experience in conducting evaluations, for an independent evaluation of the scholarship program under this Act, including—

(1) a comparison of test scores between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students' academic achievement at the time of the award of their scholarships and the students' family income level;

(2) a comparison of graduation rates between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students' academic achievement at the time of the award of their scholarships and the students' family income level;

(3) the satisfaction of parents of scholarship students with the scholarship program; and

(4) the impact of the scholarship program on the District of Columbia public schools, including changes in the public school enrollment, and any improvement in the academic performance of the public schools.

(b) **PUBLIC REVIEW OF DATA.**—All data gathered in the course of the study described in subsection (a) shall be made available to the public upon request except that no personal identifiers shall be made public.

(c) **REPORT TO CONGRESS.**—Not later than September 1 of each year, the Corporation shall submit a progress report on the scholarship program to the appropriate committees of Congress. Such report shall include a review of how scholarship funds were expended, including the initial academic achievement levels of students who have participated in the scholarship program.

(d) **AUTHORIZATION.**—There are authorized to be appropriated for the study described in subsection (a), \$250,000, which shall remain available until expended.

#### SEC. 14. JUDICIAL REVIEW.

(a) **IN GENERAL.**—The United States District Court for the District of Columbia shall

have jurisdiction in any action challenging the scholarship program under this Act and shall provide expedited review.

(b) **APPEAL TO SUPREME COURT.**—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States.

Mr. LIEBERMAN. Mr. President, I rise today to join my colleagues Senators COATS and BROWNBACK in introducing the District of Columbia Student Opportunity Scholarship Act of 1997, also known as the DCSOS Act.

This legislation is quite similar to the provision that passed the House last year as part of the D.C. appropriations bill but failed to make it through conference. It would create a modest tuition scholarship fund that would enable 2,000 low-income students in the District to attend the public, private, or parochial school of their choice. It would also provide direct aid to an additional 2,000 public school students who want to improve their academic skills through after-school tutoring.

But the circumstances surrounding this proposal have changed dramatically since it was considered last year, and I think it's important to make our colleagues aware of what's happened over the course of the last several months as they consider the bill we're introducing today.

Most immediately, the deeply troubled D.C. school system has now hit rock-bottom. Last fall, the District Control Board officially declared the schools in crisis, stripped the elected school board of its authority, and authorized an emergency board of trustees to take over the city's public schools.

In taking these drastic steps, the Control Board issued a report documenting the utter dysfunction of this school system—test scores ranking among the worst in the Nation, students and teachers subjected to violence at twice the national average, gross mismanagement of budget and personnel, buildings literally falling apart, and a tragic misplacement of priorities that puts job preservation ahead of the job of educating the city's children.

But perhaps the most damning indictment of the D.C. schools came in a single sentence included in the report: the longer students stay in the District's public school system, the Control Board concluded, the less likely they are to succeed educationally. I would urge my colleagues to think about the import of that statement. Instead of helping these children learn more with each passing year, the D.C. schools in many cases have actually become hazardous to the academic health of its students.

This conclusion should not be all that surprising when you take a closer look at the environment in which these kids are trying to learn. For instance, in April we saw a shocking breakdown of discipline at the Winston Education Center. Several fourth-graders slipped unnoticed into a sideroom right out-

side an ongoing class and engaged in oral sex, with two of the children's parents claiming their children were sexually assaulted. When the principal learned of the incident, his first reaction was to judge the sexual activity consensual. And earlier this month, Washington Post columnist Colbert King reported that a fifth-grade class at the Harrison Elementary School had gone without a teacher for the past 4 months. This outrageous situation may well have continued had King not exposed it and put pressure on the administration to correct it.

To force children to attend these schools, where the breakdown is so complete a class can go four months without a teacher, is simply unconscionable. But that is exactly what is happening in the District of Columbia, where thousands of students are trapped in decrepit, dangerous, and disenfranchising schools simply because they cannot afford any alternative.

That is why we believe there is an urgent need to pass the DCSOS Act. That acronym is not an accident, for this program would provide at least 2,000 of the most disadvantaged families in the District with an educational lifeline, a chance to seek out a school that they believe will offer their child a brighter future. It would give these families the same option that thousands of other families have already exercised by pulling their children from the D.C. public schools or moving out of town altogether.

Some defenders of the status quo have tried for some time to get us to believe that the residents of this city don't want that kind of choice. But a poll that was released this week should shatter that misguided myth once and for all. This survey found that nearly two-thirds of public school parents would send their kids to private schools if money weren't an issue. The poll also shows that there is a strong base of support for the scholarship program we're proposing right out of the gate, before we've done anything to educate the public about it. And most important, it shows that the families we're trying to help would welcome this assistance, with 62 percent of low-income parents saying that the kind of choice we're offering would improve the quality of education for District children.

Some of the opponents of this legislation will continue to argue that this program, like other attempts to expand opportunities for poor families, will harm or actually ruin the public schools. To suggest that this modest program could make a school system already in crisis any worse defies common sense. In truth, this is a case of the only thing we have to fear is fear itself—that is, the fear of moving beyond the status quo. Knowing that the D.C. schools have hit rock bottom, we shouldn't be closing off any options,



which is exactly what influential columnist William Raspberry wrote last week when he endorsed giving choice a chance in the District.

We need to get past the red herring argument that we must choose between choice and the public schools. Simply put, supporting this scholarship program is not the same as abandoning the public school system. This is not an either-or equation. And to help prove that to the citizens of the District, we have gone out of the way in this legislation to make sure that the funding for these scholarships does not come at the expense of the city's public schools. This is new money and that point should not be overlooked.

Mr. President, the truth is that we fervently hope that the Board of Trustees and CEO Gen. Julius Becton can rescue this system and make the fundamental reforms necessary to give these students the education they deserve, and we will do what we can to support their efforts. Senator BROWNBACK and I, as chairman and ranking member of the Senate's D.C. Oversight Subcommittee, made that very pledge to General Becton at a hearing we held in April.

But this mission is at a minimum going to take several years, which begs the question, what happens to those many students who have no choice but to attend schools that most parents who could afford it have long since abandoned?

We believe that we have a moral obligation to offer those children a way out. That is why many of us view this question not just as a matter of education, but a question of fairness. This is all about our values, specifically the value we place on giving every child—no matter their income, where they live or how they live—the opportunity to fulfill their God-given promise.

No one is claiming that this scholarship program is a magic bullet. But we strongly believe it will give at least 2,000 disadvantaged students a shot at a better life. We also believe that by providing some competition to the public schools, this program will accelerate the pace of reform within the D.C. school system. Across the country, the growing numbers of charter schools and private scholarship programs are forcing public school systems to confront their failures and building pressure on them to take radical actions to improve the quality of their educational programs. This is starting to happen already in the District, and we are optimistic that this legislation will intensify that movement here.

If nothing else, this legislation will create a program that will help us test what impact choice has on improving the educational opportunities of poor families in urban areas, and thereby help us make informed decisions in the future about whether to expand this kind of initiative to other cities. There have been some promising signs coming out of the choice programs in Milwaukee and Cleveland, but the reality

is we don't know with much certainty whether expanding choice will produce noticeable results. This legislation could establish a national experiment, and provide us with some real answers to the critical questions we've been wrestling with. It's for that very reason we call for a thorough evaluation of the D.C. scholarship program in our legislation.

The bottom line, Mr. President, is that it is time to give choice a chance in the District. We cannot in conscience continue to ignore the plight of these children any longer. They deserve an opportunity to break out of the nightmarish cycle of poverty, dependency, and violence and to live the American dream. This bipartisan legislation will begin to restore hope to some of these families, and I would strongly urge my colleagues to support it.

Mr. BROWNBACK. Mr. President, one of my highest priorities as the chairman of the Senate Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia, is to make sure the children in the Nation's capital are receiving the quality education they deserve. The District's public schools, unfortunately, have failed too many students in providing the education they deserve. The District of Columbia Student Opportunity Scholarship Act of 1997 would change this by giving low-income students the chance to get the education they need.

Our subcommittee held a hearing a few weeks ago to explore options to improve public education in the District. Mr. President, I know there are schools which are working and where students are thriving in their learning environment. I had the privilege to visit Stuart-Hobson Middle School. I was impressed by the success of the program at Stuart-Hobson and how the students took pride in their education. This school, however, is one of a few exceptions in the District Public School System.

The facts about the District public schools speak for themselves: only 22 percent of fourth grade students are at or above basic reading achievement levels; students on average consistently score below the national average of the Comprehensive Test of Basic Skills; students consistently score below the national Scholastic Aptitude Test [SAT]. We cannot continue to trap these students in an educational system that is failing them.

Gen. Julius Becton, chief executive officer and Superintendent of the District of Columbia Public Schools, and the District of Columbia Emergency Transitional School Board of Trustees have said that they will make significant improvements by the year 2000, and I recognize and respect the work that lies ahead of them. But, Mr. President, the year 2000 is 3 school years away. In 3 school years, a child progresses through grades one through three in which they learn to read,

write, add, subtract, etc. In 3 school years, a high school student gains the skills and preparation they need for college or for a job. These 3 school years are too valuable to trap these students in the public school system that has not delivered.

Mr. President, I am pleased to join my colleagues Senator COATS and Senator LIEBERMAN in introducing this legislation that focuses on the individual student in the District of Columbia Public Schools. By providing up to \$3,200 in individual scholarships to low-income families who will choose the school for their children, this bill would give these students the chance to make sure the next 3 school years do not go to waste. Improving the chances for these children to get the education they need is one of the most fundamental elements to restore the Nation's capital into the shining city the United States deserves.

By Mr. MURKOWSKI (for himself and Mr. BAUCUS):

S. 848. A bill to direct the Secretary of Health and Human Services, through the Health Care Financing Administration, to expand and strengthen the demonstration project known as the Medicare Telemedicine Demonstration Program; to the Committee on Finance.

THE RURAL TELEMEDICINE DEMONSTRATION ACT  
OF 1997

Mr. MURKOWSKI. Mr. President, I rise today to introduce, along with my colleague, Senator BAUCUS of Montana, the Rural Telemedicine Demonstration Act of 1997.

The vast potential of telemedicine technology is clearly under-utilized. I believe that the answer to growing concerns regarding access and affordability of quality health care services in rural America is telemedicine. Let me describe just a few of the difficulties of rural health care in my home State of Alaska and explain why telemedicine is our long-awaited answer.

Alaska encompasses 586,412 square miles. It is one-fifth the size of the contiguous United States; 120 times larger than the State of Rhode Island; and larger than the three largest States in the union combined. If a map of Alaska were superimposed on a map of the lower 48 States, Alaska would touch South Carolina, Mexico, California, and the United States-Canadian border. In short, Alaska has 1 million acres of land for every day of the year.

Geography is another defining characteristic of Alaska. My State has a climate characterized by significant season fluctuations in temperature and precipitation and a topography characterized by mountains, wetlands, forests, and rugged coastlines.

Communities and villages are scattered throughout the vast regions of Alaska. And though Alaska contains 586,412 square miles, it only has 12,200 miles of roads. Vast areas are completely unconnected by roads, with access only available by airplane, boat, snowmachine, or dogsled.

Meeting the health care needs of these communities and villages is a daunting task. Residents have difficulty due to geography, lack of providers and poverty. Although excellent medical facilities and tertiary care centers are available in Anchorage, direct connection to these facilities from most of the State is not possible other than by air transportation. Consequently, geographically, 74 percent of the State is in medically underserved areas.

Telemedicine is the cost-effective and practical answer to the Alaska dilemma. Currently, there is an exciting project underway known as the Alaska Telemedicine project. This consortium of Alaskan health care providers and telecommunication carriers has been diligently working to unite health care in Alaska. This project has successfully united the Native health corporations, military medical facilities, and public and private hospitals of Alaska.

The fragmented nature of health care delivery in Alaska and Alaska satellite-based narrow-band telecommunication infrastructure, along with the geography and climate of Alaska, make Alaska an ideal place for the Alaska Telemedicine project to flourish.

In 1995, the Health Care Financing Administration [HCFA], pursuant to a mandate in 42 U.S.C. 1395(b)(1) which directs HCFA to establish demonstration projects that explore innovative methodologies of Medicare cost-savings, developed a telemedicine Medicare reimbursement project for rural America. Five demonstration sites were established in four States: Iowa, West Virginia, North Carolina, and Georgia. The purpose of these programs was to investigate Medicare reimbursement for telemedicine in rural locations.

Unfortunately, the HCFA study of rural telemedicine contains a glaring omission: The study does not include any sites in rural Western locations. The omission of the rural West, which contains extremely remote and frontier locations will result in a deficient and likely inaccurate study for rural telemedicine.

Our legislation will expand the HCFA project to better represent rural America. A site in Alaska and in Montana will be included. Montana, like Alaska, experiences significant difficulties in providing health care services in rural areas. Montana's five independent telemedicine projects that have formed a united alliance will also be included in the HCFA project.

Mr. President, the goal of telemedicine Medicare reimbursement is to ensure that the elderly of America who reside in inaccessible rural areas will be allowed to have access to quality health care in the most cost-effective manner—via telecommunication networks. Establishing Medicare reimbursement stabilizes telemedicine technology, and will likely lead to widespread coverage of telehealth services by private insurers.

Senator BAUCUS and my bill, will merely expand the current demonstration project conducted by HCFA. By this expansion, the HCFA study will better represent rural telemedicine in the Nation. I ask that my colleagues support the Rural Telemedicine Demonstration Act of 1997.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 848

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Telemedicine Demonstration Act of 1997".

#### SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Access to health care providers is critically important to improving the health of individuals residing in rural areas.

(2) Individuals residing in the rural areas of the Western United States are severely underserved by both primary and specialty health care providers.

(3) Telecommunications technology has made it possible to provide a wide range of vital health care services to individuals residing in remote locations and over vast distances at a fraction of the costs associated with the provision of such services without such technology.

(4) On February 17, 1997, the General Accounting Office reported that Federal involvement in telehealth systems is needed for the success of such systems.

(5) In order for telehealth systems to continue to benefit rural communities, the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) must eventually reimburse the provision of health care services to remote locations via telecommunication.

(6) The current Medicare telemedicine demonstration program conducted by the Secretary of Health and Human Services, through the Health Care Financing Administration, does not include any sites in rural areas of the Western United States. Without such sites, such demonstration program will not provide accurate indicators of the success of telemedicine.

(7)(A) The fragmented nature of Alaska's transportation infrastructure, as well as extremes in geography, climates, and ethnography create severe problems for health care providers to provide health care services to the individuals residing in Alaska.

(B) The Alaska Telemedicine Project is a statewide telehealth project which overcomes infrastructure problems within Alaska by uniting 40 public and private health care providers across Alaska to provide health care services to the residents of Alaska.

(8)(A) Health care providers in Montana also experience significant difficulties in providing health care services in rural areas. Five independent telemedicine networks in Montana have formed the Montana Healthcare Telecommunications Alliance (MHTA), an association of telemedicine service providers representing not-for-profit and public medical and mental health facilities throughout the State.

(B) The goal of the MHTA is to promote cost effective statewide deployment of telemedicine services thereby supporting public and private health care providers and improving access to quality medical and men-

tal health services for all individuals residing in Montana.

#### SEC. 3. EXPANSION OF DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Secretary, through the Health Care Financing Administration, shall expand the demonstration project known as the Medicare telemedicine demonstration program to include within such demonstration program the Alaska Telemedicine Project (described in section 2(7)) and the Montana Healthcare Telecommunications Alliance (described in section 2(8)).

(b) REPORT TO CONGRESS.—Not later than March 1 of each year that the demonstration project described in subsection (a) is being conducted, the Secretary, through the Health Care Financing Administration, shall submit a report to Congress that contains—

(1) an evaluation of the effectiveness of such demonstration project; and

(2) any legislative recommendations determined appropriate by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$2,000,000 to the Secretary of Health and Human Services to carry out the purposes of the demonstration project described in subsection (a).

#### ADDITIONAL COSPONSORS

S. 98

At the request of Mr. HUTCHINSON, the name of the Senator from Alabama [Mr. SESSIONS] was added as a cosponsor of S. 98, a bill to amend the Internal Revenue Code of 1986 to provide a family tax credit.

S. 100

At the request of Mr. KERRY, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 100, a bill to amend title 49, United States Code, to provide protection for airline employees who provide certain air safety information, and for other purposes.

S. 127

At the request of Mr. MOYNIHAN, the names of the Senator from Ohio [Mr. DEWINE], the Senator from Illinois [Mr. DURBIN], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 127, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion for employer-provided educational assistance programs, and for other purposes.

S. 220

At the request of Mr. GRASSLEY, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 220, a bill to require the United States Trade Representative to determine whether the European Union has failed to implement satisfactorily its obligations under certain trade agreements relating to United States meat and pork exporting facilities, and for other purposes.

S. 224

At the request of Mr. WARNER, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 224, a bill to amend title 10, United States Code, to permit covered beneficiaries under the military health care system who are also entitled to Medicare to enroll in the Federal Employees Health Benefits program, and for other purposes.

S. 249

At the request of Mr. D'AMATO, the names of the Senator from South Dakota [Mr. JOHNSON] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 249, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.

S. 278

At the request of Mr. GRAMM, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 278, a bill to guarantee the right of all active duty military personnel, merchant mariners, and their dependents to vote in Federal, State, and local elections.

S. 293

At the request of Mr. HATCH, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 293, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for clinical testing expenses for certain drugs for rare diseases or conditions.

S. 335

At the request of Mr. WARNER, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 335, a bill to authorize funds for construction of highways, and for other purposes.

S. 370

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 370, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for nurse practitioners and clinical nurse specialists to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 371

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 371, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 375

At the request of Mr. MCCAIN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 375, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 377

At the request of Mr. BURNS, the name of the Senator from Washington

[Mr. GORTON] was added as a cosponsor of S. 377, a bill to promote electronic commerce by facilitating the use of strong encryption, and for other purposes.

S. 381

At the request of Mr. ROCKEFELLER, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 381, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 385

At the request of Mr. CONRAD, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 385, a bill to provide reimbursement under the medicare program for telehealth services, and for other purposes.

S. 387

At the request of Mr. HATCH, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 387, a bill to amend the Internal Revenue Code of 1986 to provide equity to exports of software.

S. 398

At the request of Mrs. MURRAY, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 398, a bill to amend title 49, United States Code, to require the use of child restraint systems approved by the Secretary of Transportation on commercial aircraft, and for other purposes.

S. 404

At the request of Mr. BOND, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 404, a bill to modify the budget process to provide for separate budget treatment of the dedicated tax revenues deposited in the Highway Trust Fund.

S. 427

At the request of Mr. SHELBY, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 427, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for lobbying expenses in connection with State legislation.

S. 460

At the request of Mr. BOND, the names of the Senator from Tennessee [Mr. FRIST] and the Senator from Alabama [Mr. SESSIONS] were added as cosponsors of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 472

At the request of Mr. CRAIG, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 472, a bill to provide for

referenda in which the residents of Puerto Rico may express democratically their preferences regarding the political status of the territory, and for other purposes.

S. 474

At the request of Mr. KYL, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 474, a bill to amend sections 1081 and 1084 of title 18, United States Code.

S. 492

At the request of Mr. SARBANES, the name of the Senator from New Jersey [Mr. TORRICELLI] was added as a cosponsor of S. 492, a bill to amend certain provisions of title 5, United States Code, in order to ensure equality between Federal firefighters and other employees in the civil service and other public sector firefighters, and for other purposes.

S. 493

At the request of Mr. KYL, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 493, a bill to amend section 1029 of title 18, United States Code, with respect to cellular telephone cloning paraphernalia.

S. 505

At the request of Mr. HATCH, the name of the Senator from Nebraska [Mr. HAGEL] was added as a cosponsor of S. 505, a bill to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

S. 509

At the request of Mr. BURNS, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 509, a bill to provide for the return of certain program and activity funds rejected by States to the Treasury to reduce the Federal deficit, and for other purposes.

S. 511

At the request of Mr. CHAFEE, the names of the Senator from California [Mrs. BOXER] and the Senator from Louisiana [Ms. LANDRIEU] were added as cosponsors of S. 511, a bill to require that the health and safety of a child be considered in any foster care or adoption placement, to eliminate barriers to the termination of parental rights in appropriate cases, to promote the adoption of children with special needs, and for other purposes.

S. 524

At the request of Mr. DASCHLE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 524, a bill to amend title XVIII of the Social Security Act to remove the requirement of an x ray as a condition of coverage of chiropractic services under the Medicare Program.

S. 535

At the request of Mr. MCCAIN, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 535, a bill to amend the Public Health Service Act to provide for the establishment of a program for

research and training with respect to Parkinson's disease.

S. 537

At the request of Ms. MIKULSKI, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 537, a bill to amend title III of the Public Health Service Act to revise and extend the mammography quality standards program.

S. 598

At the request of Mr. DOMENICI, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 598, a bill to amend section 3006A of title 18, United States Code, to provide for the public disclosure of court appointed attorneys' fees upon approval of such fees by the court.

S. 607

At the request of Mr. COATS, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 607, a bill to amend the Communications Act of 1934 to provide for the implementation of systems for rating the specific content of specific television programs.

S. 623

At the request of Mr. INOUE, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 649

At the request of Ms. SNOWE, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 649, a bill to amend title XVIII of the Social Security Act to provide for coverage of bone mass measurements for certain individuals under part B of the Medicare Program.

S. 693

At the request of Mr. D'AMATO, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 693, a bill to amend the Internal Revenue Code of 1986 to provide that the value of qualified historic property shall not be included in determining the taxable estate of a decedent.

S. 709

At the request of Mr. HAGEL, the name of the Senator from Wyoming [Mr. ENZI] was added as a cosponsor of S. 709, a bill to protect private property rights guaranteed by the fifth amendment to the Constitution by requiring Federal agencies to prepare private property taking impact analyses and by allowing expanded access to Federal courts.

S. 716

At the request of Mr. CRAIG, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 716, a bill to establish a

Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

S. 718

At the request of Mr. DOMENICI, the names of the Senator from Oklahoma [Mr. INHOFE] and the Senator from Arkansas [Mr. HUTCHINSON] were added as cosponsors of S. 718, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes.

S. 763

At the request of Mr. HELMS, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 763, a bill to amend the Gun-Free Schools Act of 1994 to require a local educational agency that receives funds under the Elementary and Secondary Education Act of 1965 to expel a student determined to be in possession of an illegal drug, or illegal drug paraphernalia, on school property, in addition to expelling a student determined to be in possession of a gun.

S. 765

At the request of Mr. ENZI, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 765, a bill to amend the Occupational Safety and Health Act of 1970 to further improve the safety and health of working environments, and for other purposes.

S. 766

At the request of Ms. SNOWE, the names of the Senator from Georgia [Mr. CLELAND] and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 766, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 775

At the request of Mr. JEFFORDS, the names of the Senator from South Dakota [Mr. JOHNSON] and the Senator from Wisconsin [Mr. FEINGOLD] were added as cosponsors of S. 775, a bill to amend the Internal Revenue Code of 1986 to exclude gain or loss from the sale of livestock from the computation of capital gain net income for purposes of the earned income credit.

S. 779

At the request of Mr. REID, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 779, a bill to amend title XVIII of the Social Security Act to increase the number of physicians that complete a fellowship in geriatric medicine and geriatric psychiatry, and for other purposes.

S. 785

At the request of Mr. SMITH, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 785, a bill to convey certain land to the City of Grants Pass, Oregon.

S. 819

At the request of Mr. WARNER, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 819, a bill to designate the United States courthouse at 200 South Washington Street in Alexandria, Virginia, as the "Martin V.B. Bostetter, Jr. United States Courthouse".

SENATE JOINT RESOLUTION 6

At the request of Mr. KYL, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of Senate Joint Resolution 6, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. GLENN, his name was added as a cosponsor of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of Congress that the Administrator of the Environmental Protection Agency should take immediate steps to abate emissions of mercury and release to Congress the study of mercury required under the Clean Air Act, and for other purposes.

SENATE RESOLUTION 92

At the request of Mr. LAUTENBERG, the names of the Senator from California [Mrs. FEINSTEIN], the Senator from Vermont [Mr. LEAHY], the Senator from Rhode Island [Mr. REED], the Senator from Oklahoma [Mr. INHOFE], the Senator from Washington [Mrs. MURRAY], the Senator from Hawaii [Mr. INOUE], the Senator from Nevada [Mr. BRYAN], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Maine [Ms. SNOWE], the Senator from Maryland [Ms. MIKULSKI], the Senator from Texas [Mr. GRAMM], the Senator from Florida [Mr. GRAHAM], the Senator from North Dakota [Mr. DORGAN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from South Dakota [Mr. JOHNSON], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of Senate Resolution 92, a resolution designating July 2, 1997, and July 2, 1998, as "National Literacy Day."

SENATE RESOLUTION 94

At the request of Mr. WARNER, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Arkansas [Mr. HUTCHINSON], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Tennessee [Mr. FRIST] were added as cosponsors of Senate Resolution 94, a resolution commending the American Medical Association on its 150th anniversary, its 150 years of caring for the United States, and its continuing effort to uphold the principles upon which Nathan Davis, M.D. and his colleagues founded the American Medical Association to "promote the science and art of medicine and the betterment of public health."

SENATE CONCURRENT RESOLUTION 31—CONCERNING THE PAL-ESTINIAN AUTHORITY

Mr. D'AMATO (for himself, Mr. BOND, Mr. MACK, and Mr. SPECTER) submitted

the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 31

*Resolved by the Senate (the House of Representatives concurring),*

Whereas the Palestinian Authority Justice Minister Freih Abu Medein announced last month that anyone selling land to Jews was committing a crime punishable by death;

Whereas since this announcement three Palestinian individuals were murdered in the Jerusalem and Ramallah areas for, what would anywhere else in the world be considered normal business activity—selling real estate;

Whereas recently Israeli police managed to foil the attempted abduction of a fourth person;

Whereas Israeli security services have acquired evidence indicating the intelligence services of the Palestinian Authority were directly involved in at least 2 of these murders;

Whereas subsequent statements by high-ranking Palestinian Authority officials have justified these murders which have further encouraged this intolerable policy;

Whereas the Palestinian Authority has failed to condemn the policy of murdering people for business transactions;

Whereas this policy is in direct contravention to the peace agreements already reached between the Palestinian Authority and the State of Israel; and

Whereas credible evidence exists that the Palestinian Authority has played an active role in these murders and in enforcing this policy: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That it is the sense of the Congress that—

(1) the Clinton administration should thoroughly investigate the Palestinian Authority role in enforcing this racist policy and should immediately report to the Congress its findings;

(2) the Palestinian Authority, with Yasser Arafat as its chairman, must immediately issue a public and unequivocal statement denouncing these acts and this policy;

(3) this policy is an affront to all those who place high value on peace and basic human rights; and

(4) the United States should not provide foreign assistance to the Palestinian Authority until this policy is reversed.

Mr. D'AMATO. Mr. President, I rise today, along with Senators CONNIE MACK, KIT BOND, and ARLEN SPECTER to introduce a concurrent resolution condemning the Palestinian Authority for the killing of Palestinians for selling land to Israelis. This legislation is being offered concurrently in the House by my colleagues, Congressmen JON FOX and JERRY WELLER.

Mr. President, we are offering this resolution because it is appalling that Yasir Arafat, to whom we provide millions of dollars in aid, is allowing his so-called police officers from the Palestinian Authority to carry out assassinations of Arab land dealers for their sales of land to Jews. Arafat terms these dealers "isolated traitors" for their actions and has thereby given his approval to these killings.

Thus far, three land dealers have been killed, execution style with a bullet to the back of the head, all by Palestinian Authority police officers. The Israeli police have already arrested one

man in the killing of the first land dealer, Farid Bashiti, and earlier in the week they arrested four Palestinian officers attempting to kidnap another land dealer. According to a story in today's Ha'aretz (a newspaper in Israel) the detained Palestinian police officers have given information that links Tawfik Tirawi, the head of security in Ramallah, under Palestinian Authority control.

At this time, I would ask unanimous consent that the text of this article be included in the RECORD.

This is an interesting state of affairs that we have here. The United States provides funding to the Palestinian Authority, they violate the agreements they have signed with the Israelis, and we go about our way as if nothing has happened. Arafat's Palestinian Authority mismanages the funds it has and we provide more. This is outrageous and unfortunate.

The world must realize that Israel, while keeping its agreements with the Palestinians, is held to a different standard, harassed, criticized, and denigrated for building condominiums at Har Homa, on territory that is its own, perfectly legal according to the Oslo agreement but nevertheless condemned as flagrantly violating the peace. Yet where is the criticism of the terrorism practiced by the Palestinians? Where are the U.N. resolutions condemning these summary executions by the Palestinian police? Yasir Arafat pushed for the U.N. to condemn the building at Har Homa, yet he brands extrajudicial killings as justifiable for traitors. What a despicable contradiction.

Mr. President, we offer this resolution to call attention to these horrible killings by Palestinian police sanctioned by the PLO in violation of every standard of international human rights, and to call attention to the fact that Yasir Arafat's PLO has not changed its spots; it has not reformed. Why, we ask, does the United States continue to allow these acts to take place?

I urge my colleagues to support this resolution as well as to examine this issue to understand Yasir Arafat's behavior.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Ha'aretz, June 5, 1997]

PALESTINIAN SECURITY OFFICIAL DETAINED IN ISRAEL: COLONEL TIRAWI ORDERED LAND DEALERS MURDERS

(By Eitan Rabin and Amira Hass)

Israeli security officials rejected the claims of their Palestinian counterparts that no Palestinian agents were involved in the recent murders of land dealers.

"The Palestinians have made a political decision to kill anyone who sells land to Jews, and in recent days they have even added names to their list of suspected dealers," a senior security source said.

Three land dealers were killed in the past month following the declaration of the Palestinian Authority official in charge of justice, Freih Abu-Meddien, that selling land to Jews is a crime punishable by death.

The Palestinian Authority has repeatedly denied any involvement in the murders. The head of Palestinian intelligence, Amin al-Hindi said reiterated this at a Ramallah news conference yesterday. Commenting on reports that Israel had issued a warrant for the arrest of a Palestinian Authority official, Al-Hindi said the Palestinians had not received any information to this effect. But he warned of a grave escalation in the situation if any senior Palestinian was detained.

Al-Hindi added that the Palestinian security branches are investigating the land dealer murders, even though the killings took place in areas under Israeli security responsibility.

Al-Hindi charged Israel of using the murders to cover up its own failure to fulfill its commitments in the peace accords and to deflect debate over settlement policy.

From questioning Palestinian security officials detained in Israel, Israeli security forces have obtained testimony linking the Palestinian Authority to the murders. One testimony points to specific involvement of Tawfik Tirawi, the head of security in Ramallah. According to questioning of the detainees, orders to security forces to act came in part from Abu-Meddien.

In one case, security forces met with a land dealer from East Jerusalem, and forced him to pay a ransom to save his life.

In a related development, a Nazareth-based weekly put out by the Democratic Front for Peace and Equality, headed by Knesset member Azmi Beshara, has published a list of names of well-known Palestinians who are believed to have sold land to Jews between 1918-1945.

The list includes the name of Palestinian Arab leaders from the period. The Voice of Palestine radio sharply attacked the article, primarily because the list included the name of the grandfather of Faisal Husseini, who holds the Jerusalem portfolio in the Palestinian Authority.

#### SENATE RESOLUTION 96—PROCLAIMING NATIONAL SAFE PLACE WEEK

Mr. CRAIG submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 96

Whereas today's youth are vital to the preservation of our country and will be the future bearers of the bright torch of democracy; and

Whereas youth need a safe haven from various negative influences such as child abuse, substance abuse and crime, and they need to have resources readily available to assist them when faced with circumstances that compromise their safety; and

Whereas the United States needs increased numbers of community volunteers acting as positive influences on the nation's youth; and

Whereas the Safe Place program is committed to protecting our nation's most valuable asset, our youth, by offering short term "safe places" at neighborhood locations where more than 2,500 trained volunteers are available to counsel and advise youth seeking assistance and guidance; and

Whereas Safe Place combines the efforts of the private sector and non-profit organizations uniting to reach youth in the early stages of crisis; and

Whereas Safe Place provides a direct means to assist programs in meeting performance standards relative to outreach/community relations, as set forth in the federal runaway and homeless youth guidelines; and

Whereas the Safe Place placard displayed at businesses within communities stands as a beacon of safety and refuge to at-risk youth; and

Whereas currently 34 states and more than 6,000 business locations have established Safe Place programs; and

Whereas increased awareness of the program's existence will encourage communities to establish Safe Places for the nation's youth throughout the country: Now, therefore, be it;

*Resolved*, That the Senate—

(1) Proclaims the week of March 15 through March 21, 1998, as "National Safe Place Week"; and

(2) Requests that the President issue a proclamation calling upon the people of the United States and interested groups to promote awareness of and volunteer involvement in the Safe Place organization, and to observe the week with appropriate ceremonies and activities.

#### SENATE RESOLUTION 97—TO DESIGNATE GEORGE C. MARSHALL MONTH

Mr. WARNER (for himself and Mr. ROBB) submitted the following resolution; which was considered and agreed to:

##### S. RES. 97

Whereas 1997 marks the fiftieth year since the European Recovery Program, or what came to be called the Marshall Plan, was first conceived and proclaimed by General George Catlett Marshall while he was serving as Secretary of State of the United States.

Whereas the Marshall Plan has been hailed by leaders of World War II allied and enemy countries alike as the most magnanimous act by Americans in history;

Whereas the Marshall Plan made possible new measures of trans-Atlantic cooperation through the North Atlantic Treaty Organization and other institutions;

Whereas these institutional developments have profoundly enhanced the security, freedom, and prosperity of the United States and the Atlantic Community generally;

Whereas new challenges have arisen which call for recommitment to and reinvigoration of these institutions and for their continued viability;

Whereas creative thought and rededication to the ideals and principles undergirding the Marshall Plan are now necessary in order to assure the preservation and perfection of these institutions; and

Whereas the occasion of the fiftieth anniversary of the Marshall Plan provides a fitting opportunity for rededication of commitments to these institutions: Now, therefore, be it

*Resolved*, That it is the sense of the Senate—

(1) that magnanimity underlies the Marshall Plan, the dedication to public service and integrity of its author, and the efforts by the Marshall Foundation in Lexington, Virginia, the Marshall International Center in Leesburg, Virginia, and the Friends of Marshall, Uniontown, Pennsylvania, to continue in American life the values for which General George Catlett Marshall stood;

(2) that all Americans should rededicate themselves to the ideals of public service, hard work, integrity, and compassion which General Marshall represents to this day in American society; and

(3) that the values that inspired the initiation of the Marshall Plan should continue to be cherished by the people of the United States.

SEC. 2. It is, further, the sense of the Senate that the President should issue a proclamation designating the month of June 1997 as "George C. Marshall Month" and calling upon the people of the United States to observe George C. Marshall Month with appropriate programs, ceremonies, and activities.

#### NOTICES OF HEARINGS

##### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Labor and Human Resources will be held on Tuesday, June 10, 1997, 9:30 a.m., in SD-430 of the Senate Dirksen Building. The subject of the hearing is Divided Loyalties: The Impact of Salting in the Workplace. For further information, please call the committee, (202) 224-5375.

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES—SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 12, 1997, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review the preliminary findings of the General Accounting Office concerning a study on the health, condition, and viability of the range and wildlife populations in Yellowstone National Park.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224-5161.

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management.

The hearing will take place Wednesday, June 18, 1997 at 2:00 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on the following general land exchange bills: S. 587, a bill to require the Secretary of the Interior to exchange certain lands located in Hindsdale County, CO; S. 588, a bill to provide for the expansion of the Eagles Nest Wilderness within the Arapaho

National Forest and the White River National Forest, CO, to include land known as the Slate Creek Addition; S. 589, a bill to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, CO, to correct the effects of earlier erroneous land surveys; S. 590, a bill to provide for a land exchange involving certain land within the Routt National Forest in the State of Colorado; S. 591, a bill to transfer the Dillion Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado; 541, a bill to provide for an exchange of lands with the city of Greeley, CO, and the Water Supply and Storage Co. to eliminate private inholdings in wilderness areas, and for other purposes; S. 750, a bill to consolidate certain mineral interests in the National Grasslands in Billings County, ND, through the exchange of Federal and private mineral interests to enhance land management capabilities and environmental and wildlife protection, and for other purposes; and S. 785, a bill to convey certain land to the City of Grants Pass, OR.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Judy Brown or Mark Rey at (202) 224-6170.

##### SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 19, 1997 at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony regarding entrance and special use fees for units of the National Park System and the status of the Fee Demonstration Program implemented by the National Park Service in 1996.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224-5161.

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the Committee on Energy and



Natural Resources will hold a workshop to review reform of the Public Utility Holding Company Act.

The hearing will take place on Tuesday, June 24, in room SD-366 of the Dirksen Senate Office Building starting at 9:30 a.m. Those who wish to participate or submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information please contact Shawn Taylor at (202) 224-6567.

COMMITTEE ON ENERGY AND NATURAL  
RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management.

The hearing will take place Thursday, June 26, 1997 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 783, the Boundary Waters Canoe Area Wilderness Accessibility and Fairness Act of 1997.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Judy Brown or Mark Rey at (202) 224-6170.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC  
PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 26, 1997 at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 308, a bill to require the Secretary of the Interior to conduct a study concerning grazing use of certain land within and adjacent to Grand Teton National Park, WY, and to extend temporarily certain grazing privileges; and S. 360, a bill to require adoption of a management plan for the Hells Canyon National Recreation Area that allows appropriate use of motorized and nonmotorized river craft in the recreation area.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEES TO  
MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND  
FORESTRY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, June 5, 1997, at 9 a.m. in SR-328A to receive testimony regarding contaminated strawberries in school lunches.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN  
AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, June 5, 1997, to conduct a markup on S. 621, the Public Utility Holding Company Act of 1997, and of certain pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on June 5, 1997, at 9:30 a.m. on Asia trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC  
WORKS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Thursday, June 5, 9:30 a.m., hearing room (SD-406).

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources Subcommittee on Aging be authorized to meet for a hearing on Challenges of Alzheimer's Disease: The Biomedical Research That Will Carry Us Into the 21st Century during the session of the Senate on Thursday, June 5, 1997, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources Subcommittee on Children and Families be authorized to meet for a hearing on Pre-to-3: Policy implications of Child Brain Development during the session of the Senate on Thursday, June 5, 1997, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL SECURITY,  
PROLIFERATION, AND FEDERAL SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent on behalf of the

Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services to meet on Thursday, June 5, 1997 at 2:00 p.m. for a hearing on Proliferation: Russian Case Studies.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PERSONNEL

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet on Thursday, June 5, 1997, at 9:30 a.m. in open session, to receive testimony on gender integrated training and related matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TAXATION AND IRS  
OVERSIGHT

Mr. GRASSLEY. Mr. President, the Finance Committee Subcommittee on Taxation and IRS Oversight requests unanimous consent to conduct a hearing on Thursday, June 5, 1997, beginning at 2 p.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO GIRL SCOUT GOLD  
AWARD RECIPIENTS

• Mr. McCONNELL. Mr. President, I rise today to salute an outstanding group of young women who have been honored with the Girl Scout Gold Award. The Gold Award is the highest achievement a Girl Scout can earn and symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by girls aged 14-17, or in grades 9-12.

The young ladies from the Kentuckiana Council who will receive this honor are: Jodi M. Akin, Millie M. Cook, Miranda S. Der Ohanian, Alicia M. Franken, Julie W. Goodwin, Meghan K. Horan, Jean E. Hiter, Tricia J. Johnson, Casey J. Lightfoot, Susan D. Martin, Sarah J. Pershke, Leslie A. Rowland, Amy E. Shelton, Tiffany L. Skeens, Melissa C. Smith, Whitney A. Sylvester, Molly D. Taylor, Catherine T. Tomassetti, and Andrea D. Warwick.

The young ladies from the Licking Valley Council are: Kelly Buten, Mary Jane Hendrickson, Alyssa Hensley, Mandy Radle, and Becky Thomas.

The young ladies from the Wilderness Road Council are: Carlye Ann Burchett, Stephanie Ann Eads, Ericka Lee Harney, Adrienne Mira Winkler, Cassie Domek, Tina Gelglein, Lela Nichole Woods, Sabra Goble, Valerie Ann Petty, Tracey Lynn Isaacs, and Elizabeth Anne Van Orden.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Gold Awards to senior Girl Scouts since the inception of the program in 1980. To receive the award, a

Girl Scout must earn four interest project patches, the Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge, as well as design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the Senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

Mr. President, I ask you and my colleagues to join me in paying tribute to these outstanding young ladies. They deserve recognition for their contributions to their community and their country, and I wish them continued success in the years ahead.

#### SMALL BUSINESS WEEK 1997

• Mr. SARBANES. Mr. President, as we mark the annual celebration of Small Business Week, I take great pleasure in acknowledging the achievements of the estimated 22.1 million small businesses in this country. Small businesses play an integral role in the American economy, generating half the gross domestic product, and driving America forward in terms of product development, employment, and ingenuity.

Small businesses employ more than 50 percent of our private work force and have been credited with the creation of two out of every three jobs. Studies have also shown that they produce more than twice as many significant innovations per employee as large firms. But beyond the statistics, the successes of small businesses continue to prove that the American dream is still a reality.

Small businesses provide most American workers with their first jobs. And for each job that a small business creates, one more American has the opportunity to prosper. Small businesses also play a major role in moving our economy forward, creating jobs, generating revenue, and developing new products and services that keep American business on the cutting edge.

In my own State of Maryland, we have seen the extraordinary things that can be accomplished when creative entrepreneurs are determined to succeed. I want to share just a few of those stories.

The 1997 Maryland Small Business Person of the year is Jamie Clark, who began his Internet service company, ClarkNet, out of a family barn in Ellicott City, MD. Jamie is deaf, and recognized the Internet as a powerful resource, a place where he and other deaf people could conduct business as easily as the hearing. With a \$35,000 loan and three volunteers, who were also deaf, Jamie built a company that today employs well over 30 people and had sales totaling \$2.5 million last year, up from less than \$60,000 when ClarkNet began just 4 years ago.

As someone with deep roots in Maryland—Jamie's grandfather was a circuit court judge in Howard County and his father a State senator for 24 years,

4 of those as president of the Senate—Jamie is an active member of the community, serving on the Deaf and Hard of Hearing Entrepreneurs Council, the Howard County Chamber of Commerce, the Better Business Bureau, and the Baltimore-Washington Venture Group.

Maryland's Small Business Exporter of the Year last year, Bruce Lawson of Finksburg, MD, has turned a hobby into a business that is an industry leader. Bruce started his company, Brass Instruments, after helping his father—a retired french horn player in the Baltimore Symphony Orchestra—repair his friends' musical instruments. Appalled at the quality of the horns they were repairing, Bruce started making horns himself. Today, Brass Instruments is the top french horn maker in the world.

Another former Maryland Small Business Person of the Year is Dorothy White, of Columbia, MD, who started cleaning houses when her husband fell ill. Dorothy's work was so impressive that her employers began asking her to clean their offices as well. What evolved was Dorothy's multimillion-dollar business, Miracle Services. Like many Maryland businesses, Dorothy's company also has flourished under the 8(a) program, through which she has received numerous Government contracts.

The 1995 Regional Small Business Exporter of the Year also hails from Maryland. After immigrating from Poland to Baltimore, Jon Sakowski realized that plastic piping could make all the difference in Poland's plumbing system. When he could not find a Polish buyer who could afford the product, Jon began installing the piping for free in Poland's churches, schools, and hospitals. Then, taking a major financial risk, Jon exported the piping to Poland—without a buyer—and warehoused it himself, selling the piping off piece by piece rather than in bulk.

We in Maryland are very proud of individuals like Jamie Clark, Bruce Lawson, Dorothy White, Jon Sakowski and the many other operators of small businesses in our State who, often beginning with very little, have accomplished so much. More than 97.8 percent of Maryland's full-time firms have fewer than 500 employees, and there are an additional 131,000 individuals who are self-employed. The significance of these businesses to Maryland's economy is evident in study after study, such as the Small Business Administration's recent report that Maryland firms with fewer than 20 employees increased employment by 10.4 percent between 1991 and 1995.

Minority-owned businesses also have made great strides in recent years. Between 1987 and 1992, Maryland's number of women-owned businesses rose by 48.7 percent, its number of African-American owned firms rose 65 percent and its number of Hispanic-owned firms rose 148.7 percent.

Yet despite this progress, much remains to be done. Minority-owned

firms in Maryland are selling 30 percent below the national average, and bankruptcies and failures have increased. Given the important economic and social roles played by minority-owned businesses, it is essential that we strengthen our efforts to help these underserved markets succeed.

Mr. President, as someone who has benefited personally from the opportunities afforded to small business in this country—I spent my youth working in my parents' Greek restaurant on Maryland's Lower Eastern Shore—I know how important it is to small business owners, employees, and customers that they continue to thrive. Small business success not only translates into jobs and economic growth, it also translates into a sense of pride and self-respect on the part of owners and workers and the heartening affirmation that the American dream is still alive.●

#### THE CONGRESSIONAL AWARD

• Mr. SANTORUM. Mr. President, in 1979, Congress created an award which is specifically designed for young people. This special program, the Congressional Award, recognizes young Americans who make commitments to community service and self-improvement. I would like to take a few moments of Senate business to discuss this program and the important role it plays in promoting volunteerism.

The Congressional Award is a non-partisan, public-private partnership which teaches young people that they can make a difference in their communities. The program is noncompetitive. Participants set individual goals based on their own abilities. Once these goals are achieved, they can earn bronze, silver, or gold medals. I would emphasize that each Congressional Award is earned—not won. Any 14- to 23-year-old, regardless of their life circumstances or physical and mental abilities, can earn the award.

Mr. President, this program truly promotes community service. Since the first award was presented in 1982, 1.5 million hours have been attributed to volunteerism. In the last 12 months alone, recipients of the Congressional Award throughout the country performed more than 63,000 hours of community service. Some examples of the volunteer projects include assisting elderly shut-ins, distributing food for the needy, producing a handbook of volunteer opportunities at the United Way, and donating a narcotics K-9 to a sheriff's department.

Recently, I have chartered the Congressional Award Program in my own State, along with the other members of the Pennsylvania delegation. I encourage each of my colleagues to promote this valuable program. The Congressional Award benefits everyone involved—the participants, their adult sponsors, and the communities at large. I would also note that while this program is a public-private partnership, it does not receive its funding

from the Government. It is funded entirely through the private sector.

Not long ago, I had the honor of participating in the Volunteer Summit in Philadelphia, PA. The success of this event suggests that Americans are eager to help those in need. They simply need more information about how to do so.

Mr. President, I am a strong advocate of volunteerism, and I sincerely believe that this program inspires a sense of civic responsibility in our young people. The Congressional Award is an effort Congress can be proud it initiated on behalf of our next generation. By working together, we can make this volunteer opportunity and learning experience available to all young Americans.●

#### THE "BILL AND SHEL SHOW" CELEBRATES 40 YEARS ON THE AIR

● Mr. BREAUX. Mr. President, I rise to pay tribute to two men who have become an institution in my hometown of Crowley, LA.

For 40 years now, Bill Williams and Shel Kanter have hosted the very popular "Bill and Shel Show" on radio station KSIG-AM. Each weekday morning, Bill and Shel have entertained and informed thousands of listeners throughout Acadia Parish and the surrounding area. For most listeners of the "Bill and Shel Show," it's hard to imagine starting the day without them and their reports of the latest local news, community events, and the all-important school updates, including the school lunch menus.

As anyone who has tried to raise funds for a charitable cause in Crowley knows, a kind or encouraging word from Bill and Shel can sometimes make the difference between success or failure. Bill and Shel, of course, have always been most generous with kind words for the various worthy causes in and around Crowley.

It wasn't too long ago that the "Bill and Shel Show" was threatened with extinction. When KSIG Radio changed ownership, the new owners briefly considered canceling the show. Of course, as one might imagine, the enormous outcry of protest from the community quickly persuaded the station's new management that its initial decision had been perhaps hasty and unwise. Today, I am happy to report that Bill and Shel continue to entertain and inform their many listeners and, presumably, will continue to dominate the local airwaves for many years to come.

In this day and time when all of us decry the decline in the spirit of community and cohesiveness that once was the hallmark of small towns all across our land, the "Bill and Shel Show" serves as a reminder of a time when small towns like Crowley—where neighborliness, community spirit, and civic pride still thrive—were the norm, not the exception. It is people like Bill Williams and Shel Kanter who help

make Crowley a place where people are truly connected by a common purpose and a sincere concern for the well-being of the entire community.

I congratulate the owners and management of KSIG Radio for their decision to keep Bill and Shel on the air. And I congratulate Bill and Shel for 40 years of broadcasting excellence.●

#### THE EIGHTH ANNUAL REMEMBRANCE OF THE TIANANMEN SQUARE MASSACRE

● Mr. MACK. Mr. President, on June 4, 1989, the People's Republic of China perpetrated a bloody massacre against her own people. Thousands of freedom-seeking people took to the streets only to be put down violently by the long arm of the Chinese Government. Today, 8 years later, what has changed with that Government to reassure us that such atrocities will not happen again? Not much. Those in power remain in power, and they express no remorse. The only significant change is that every major dissident in China today is imprisoned.

Today, those same rulers in Beijing, their princeling children, and the military leaders of the People's Liberation Army strengthen themselves through operating commercial activities in the United States. We allow a regime willing to use violence against its own people, surely capable of directing that violence outwardly, to develop and strengthen through profits obtained in the United States. This is intolerable and must be stopped.

On the occasion of the eighth annual remembrance of the Tiananmen Square massacre, I call upon the President and Congress to work together to address this gross error in U.S. policy which threatens even our own national security. This must be an essential element of a new China policy which creates effective ways to address U.S. trade, human rights, and security concerns.

We have the opportunity of the 1997 MFN debate to address our concerns with, and even support for, China. We must use this opportunity to engage in an earnest debate over the proper form of engagement. We should not accept the simple refrain, engagement is better than containment as a substitute for a substantive policy.●

#### TRIBUTE TO THE TINNERS HILL HERITAGE FOUNDATION

● Mr. ROBB. Mr. President, I rise today to pay tribute to the Tinner Hill Heritage Foundation. This Saturday, just across the Potomac River in Falls Church, VA, a street festival will celebrate the birth of the modern civil rights movement in Virginia.

In the late 1800's, Charles and Mary Tinner bought the top of a hill in Falls Church and it has been known as Tinner Hill ever since. Currently, the seventh generation of Tinnners now live on the hill that bears the family name. While the longevity of the Tinner fam-

ily in and of itself is impressive, what transpired in June 1915 is what will be celebrated this weekend. That year, the Falls Church Town Council adopted an ordinance to segregate the residences of the town. This would mean that many families of African ancestry would have to give up the homes they owned. Dr. E.B. Henderson, a resident of Tinner Hill, organized the Colored Citizens Protective League and filed a suit to prevent enforcement of the ordinance. Dr. Henderson then called a meeting to form the first rural branch of the NAACP in the Nation. Joseph Tinner, son of Charles, became its first president. As a result, the town council reversed the ordinance. Over the next 50 years, the Hendersons, Tinnners, and others organized civil rights activities that set a precedent and a model for the rural South.

Today, the Tinnners and the Hendersons share the hill with a diverse mix of businesses that represent many cultural backgrounds. We all owe a great debt to the brave former inhabitants of Tinner Hill who risked their lives and livelihoods to defend the Bill of Rights and to start a movement that has had far reaching consequences.●

#### TRIBUTE TO THE NORTHEAST PEANUT LEAGUE

● Mr. SANTORUM. Mr. President, the Northeast Peanut League [NEPL] will celebrate its annual All-Star Day on June 8. I would like to take a few moments of Senate business to recognize the NEPL and to discuss the opportunities it offers to more than 7,000 boys and girls between the ages of 5 and 16 in the Philadelphia area.

Founded in 1981, the NEPL provides recreational activities for children who are not as advanced in their athletic abilities. This organization is based on the concept of simply having fun. The league makes sports a positive learning experience by enhancing the emotional, physical, social, and educational well-being of children. These teams allow children to realize their potential in elaborate all-star events, playoff games, and league awards. In short, the NEPL provides a nurturing environment where all children—regardless of their physical or mental abilities—can play, develop a sense of pride, and receive the fanfare previously reserved for the "A" leagues.

Another important service the NEPL provides is substance abuse education. Each year, the league distributes thousands of drug prevention brochures to the children and their parents. Moreover, the league sponsors essay contests which encourage children to express their concerns about the drug epidemic. Winners of this essay contest and the Youth Work Award receive their prizes on the annual All-Star Day.

Mr. President, I commend the Northeast Peanut League for the athletic and educational opportunities it offers to the children of Philadelphia. I ask

my colleagues to join me in extending the Senate's best wishes for continued success to the children, coaches, parents, officials, staff, and sponsors of the Northeast Peanut League.●

#### THE POLITICS OF THE YEAR 2000 COMPUTER PROBLEM

● Mr. MOYNIHAN. Mr. President, I spoke on Tuesday of this week about recent findings on the technological dimension of the year 2000 computer problem. I rise today to warn of the yet unseen political dimension of the problem.

Newsweek's June 2d cover story, "The Day the World Shuts Down," offered a telling scenario in which Vice President GORE, while campaigning for President in 2000, spends all of his time trying to justify why he hadn't addressed this issue. To wit: "imagine Al Gore's spending the entire election campaign explaining why he didn't foresee the crisis."

Vice President GORE is not alone here. Imagine 4 to 500 Congressmen doing the same. Come 2000, each of us will be held accountable if we have failed to deal effectively with the "Y2K" problem. Not a single Member of Congress right now, excepting those who can successfully pass the blame, will be absolved. Both parties will face a wholesale clearing of the decks. The deluge of blame will occur in the legal community, as well. Newsweek cited a conservative estimate of 1 trillion dollars worth of litigation resulting from this crisis—more than three times the yearly cost of all civil litigation in the United States.

Make no mistake, almost all experts agree there will be no "silver bullet" fix. Correcting this problem is labor intensive and very time consuming. Millions of lines of computer code have to be reviewed and changed—in many computer languages so outdated they are foreign to younger programmers. And as Newsweek stated, the bug "affects everything from ATM's to weapons systems. Virtually every government, State, and municipality, as well as every large, midsize, and small business in the world, is going to deal with this—in fact, if they haven't started already it's just about too late."

If American families are overtaxed by the IRS, improperly charged by their creditors, denied Social Security benefits, and faced with a constantly malfunctioning civil infrastructure, the blame will fall squarely on the shoulders of their Representatives in Washington.

As Samuel Johnson observed, the prospect of hanging concentrates the mind. This prospect—the political repercussions—could finally get us up and running. We are not now. I have a first day bill, S. 22, creating a joint commission to take on the task as a national emergency. It is just that. No movement on my bill thus far. At this rate be ready to be out of a job in 2001.●

#### THE 100TH BIRTHDAY OF COURTNEY WHEELER

● Mr. INHOFE. Mr. President, I rise today to congratulate Courtney Wheeler of Beckley, WV, who celebrated her 100th birthday on May 29, 1997.

Courtney Wheeler was born in 1897 in Summers County, WV, the oldest of 13 children born to Thomas Joseph and Rosa Belle Berkley. She married her husband, Roy Wheeler in 1913 and the two of them had six children before he passed away in 1936. Courtney has shown tremendous courage in life in dealing with the loss of her husband at an early age and the loss of four of her children. She has been an inspiration to all who know her on how to deal with life's tragedies in a strong and graceful manner.

In addition to her six children, Courtney Wheeler has a total of 94 descendants. She has 22 grandchildren, 36 great grandchildren, 29 great-great grandchildren and 1 great-great-great grandchild. She has definitely been blessed with a large and loving family.

Throughout her life, Courtney has been a loving and caring person to her family and friends. She has always maintained a cheerful spirit and has been an example to all. She has been an avid gardener of both flowers and vegetables her entire life, and is known far and wide for her cooking skills. I encourage my colleagues to join with me in congratulating Courtney Wheeler on this milestone birthday.

#### THE FISCAL YEAR 1997 SUPPLEMENTAL APPROPRIATION CONFERENCE REPORT AND THE FISCAL YEAR 1998 BUDGET RESOLUTION CONFERENCE REPORT

● Mr. LIEBERMAN. Mr. President, I am entering this statement into the RECORD because I am unable to return to Washington for the votes on the fiscal year 1998 supplemental appropriation conference report and the fiscal year 1998 budget resolution conference report due to my son's out-of-town college graduation today. Had I been there, I would have voted for the budget resolution and against the supplemental appropriation because of the automatic continuing resolution and other extraneous provisions in the bill.●

#### TRIBUTE TO ALICE LIEBERMAN

● Mr. SPECTER. Mr. President, I have sought recognition today to pay tribute to Alice Lieberman, the mother of my former executive secretary Sylvia Nolde. Alice Lieberman is a woman of grace and strength and a role model for all ages. In testament of her service to her community and her positive impact on the youth of our Nation, I am submitting "A Senior Portrait", written by Ms. Abby Altschul. The following was written by Abby for her essay on her college admissions application to Cornell University, where she was accepted.

#### A SENIOR PORTRAIT

With Congress pushing for cuts in Medicare and the baby boomers struggling to stay young, irreverence for old age seems to be at an all time high. Fortunately, a few teenagers, who have at one point lived in Charlottesville, Virginia still hold great respect for their elders. The reason for this is Alice Lieberman, an 85-year-old Jewish grandmother who has become the matriarch for the city's Jewish community. These teens fondly remember chicken dinners at her house and Friday night services by her side at congregation Beth Israel. She had been a role model as a long-time active member of Hadassah (a Jewish women's organization), even assuming the presidency at the age of eighty. Her fifty plus year marriage to Myer Lieberman and commitment to her family has been an inspiration in this age of high divorce rates and dysfunctional families. Her care for her husband when he went to a nursing home led the way to her volunteer work at Cedars Nursing Home. Alice even influenced a girl named Abby to join her and work at the Cedars for her bat mitzvah community service project and to continue to visit the elderly friends they had made after the bat mitzvah. Alice inherited this sense of duty from her mother and passed it on to her two daughters, a teacher and a congressional aide, who continue to volunteer while retired.

For many of her "young friends" it became a threat rather than a chore to go to synagogue on Friday night and sit quietly next to her. She transmitted the comfort and tranquility she received from the prayers to Abby and anyone else who was lucky enough to be seated beside her. One of Abby's earliest memories is of sitting in services and drawing a picture of her best friend, Alice, who sat next to her. Alice still proudly displays the drawing next to Abby's senior photo in her dining room. Ever since Abby moved away two years ago, services haven't been as meaningful or enjoyable without Alice. Her devotion is an inspiration to many Jews especially the young people whom she effects.

The vitality Alice displays brings a whole new meaning to the phrase "aging gracefully." She goes everywhere and does everything on her own without fear, even after a fall a few years ago that resulted in a broken hip and landed her in a nursing home for a few weeks. She entertains often and continues to be an important part of Hadassah as head of their ongoing and most successful fundraiser. Some people use their golden years to relax and let the world serve them, but for Alice Lieberman it is a chance to imbue the next generation with motivation.●

#### RURAL DEMONSTRATION ACT OF 1997

● Mr. BAUCUS. Mr. President, today Senator MURKOWSKI and I introduced a bill called the Rural Telemedicine Demonstration Act of 1997.

As the Senate knows, Senator MURKOWSKI and I represent States where a good number of our constituents live in rural areas. Individuals living in States like Montana often live in counties that are underserved by specialty health care providers.

Due to new technology made possible by advances in fiber optics, it is now easier for rural citizens to be seen by specialty health care providers.

Using this technology, a person living in Culbertson, MT, who would normally drive 300 miles for specialty

medical care in Billings, can now be "seen" by a physician via telemedicine. But, in order for telemedicine systems to be a success in rural States like mine, Medicare must eventually reimburse telemedicine providers. This bill is the first step in that direction.●

**REMARKS OF FORMER SENATOR ROMAN L. HRUSKA (R-NE) AT THE DEDICATION OF THE NEW FEDERAL COURTHOUSE IN OMAHA, NE**

● Mr. HAGEL. Mr. President, last Friday a distinguished former Member of the United States Senate, Roman Hruska, was honored during a groundbreaking ceremony for a new Federal courthouse to be constructed in downtown Omaha. This new Federal facility will be named the Roman L. Hruska United States Courthouse.

I had the honor of knowing Senator Hruska when I served as administrative assistant to former Congressman John Y. McCollister (R-NE), my friend and mentor, in the 1970's. Senator Hruska served on the Senate Appropriations Committee and the Senate Judiciary Committee as its ranking member. Several of my colleagues still serving today no doubt recall Senator Hruska and his contributions to our work here in the Senate. He is still going strong at 92 years of age and continues to stay involved in the Omaha community.

Much of his work on the Senate Judiciary Committee remains with us today. Whether it was the creation of the Legal Services Corporation, revision of the Federal bankruptcy laws, reform of the Federal criminal code or amendments to the Federal antitrust laws, his imprint can be found. Senator Hruska always considered himself a work horse rather than a show horse and his numerous contributions to our Federal legal and justice system bear that out.

That is why it is so fitting that the new Federal courthouse in Omaha has been named after him. His lifelong work as a public servant and lawyer was dedicated to making our system of laws fair, just, and workable for all citizens not just a privileged few. This is especially true with the Federal judiciary. Senator Hruska worked tirelessly to ensure that the Federal court system and the judiciary would be run by people of integrity, intellect, courage, and empathy for all the people—traits that he exhibited throughout his career.

Mr. President, the new Hruska Courthouse is a welcome addition to downtown Omaha. It will meet the immediate needs of the Federal judiciary and other agencies that support the judicial system like the U.S. Marshals Service, U.S. Attorneys Office, U.S. Probation Service, U.S. Pretrial Service and several other Federal agencies. The complex is designed to permit future expansion if needed. It will fit the traditional solid architecture of down-

town Omaha but have new technology to meet the demands of the 21st century.

Mr. President, I ask that the remarks delivered by Senator Hruska at the groundbreaking ceremony be printed in the RECORD.

The remarks follow:

**REMARKS BY SENATOR ROMAN L. HRUSKA**

It is with great humility that I thank my friends for their many kind remarks here this afternoon. In particular, I wish to single out the graciousness of my friend Jim Exon for his selfless contribution to this special honor I receive today. I also thank Senator Kerrey for his kind remarks.

For me, there is no better way to join together my love for Nebraska, the City of Omaha, and a commitment to our system of justice and the federal judiciary than being honored by having my name associated with the new federal courthouse to be built on this site.

Throughout my many years of service in Washington, DC, my heart still remained in Omaha. As I addressed the business of the U.S. Senate, the interests of Nebraska were always foremost in my mind. Since retiring from the Senate more than twenty years ago, I have tried to continue that commitment to our community.

During my years as a public servant, I tried to follow a simple set of principles which I believe also represent the basic beliefs and feelings of my fellow Nebraskans.

I believed then and still believe in less government, not more. I believed then and still believe that the courts should defer to the legislatures in the matter of law-making. I believed then and still believe that a truly independent judiciary of the highest order of excellence is essential to enforcement of the expressed will of the majority and the protection of the fundamental rights of those in the minority. I believed then and still believe that our judicial system is the last bulwark against attacks on individual liberty and freedom.

Democracy and individual freedom are sometimes fragile things. Fortunately, they are now on the march around the world. Gratefully, they have become our birthright and will be further nurtured by this new complex.

But, the challenge remains great. Crime, breakdown of the family, corruption and civil disorder are still present in our society; even here in Omaha. We need to support actively our police, prosecutors and judges as they carry out their important responsibilities to uphold the law.

Looking at all of you assembled here and thinking about the many years I have devoted to public service, I am heartened for our future. Young leaders are emerging—many gathered here today—who will carry on the principles I believe in and who represent the best of our nation and state.

I am gratified and truly humbled by this occasion. Thank you all for being here. Thank you all for your many kindnesses and courtesies over the years. Thank you all for this wonderful honor which you have bestowed upon me.

God bless the State of Nebraska and God bless America.●

**THE 175TH ANNIVERSARY OF THE RHODE ISLAND HISTORICAL SOCIETY**

● Mr. REED. Mr. President, I rise to recognize the Rhode Island Historical Society on the occasion of its 175th anniversary.

Founded in 1822, the Rhode Island Historical Society was established for the purpose of rescuing artifacts and records pertaining to the history of our State and spreading the legacy of Rhode Island history. The society today represents the fourth oldest historical society in the United States and remains as one of the noble guardians of American history and culture. Over the years the society's repository of Rhode Island history and culture has grown under the stewardship of generations of knowledgeable scholars, dedicated staff, and the generosity of gracious benefactors.

From its humble beginnings, the society has served as a haven for precious artifacts which serve to record and preserve the rich history of Rhode Island. Today, we mark not only the past accomplishments of the Rhode Island Historical Society, but we pause at an exciting threshold as we embark upon the creation of Heritage Harbor.

Housed at the site of a former power plant at the head of Narragansett Bay, the historical society will lead a consortium of museums and cultural organizations in forming Heritage Harbor. The new community will bring together the stories and treasures of the Ocean State through entertainment and enlightenment. Remaining true to Rhode Island's founder Roger Williams, this new endeavor will be a lively experiment. It will teach, entertain, and inspire. The Heritage Harbor promises to bring together the diverse cultures and communities of Rhode Island to celebrate the time, traditions, and our many contributions to collective greatness of this Nation.

Mr. President, I would ask that my colleagues join me in applauding the Rhode Island Historical Society as we mark this milestone of 175 years, celebrating its legacy, both past and future.●

**TRIBUTE TO VINCENT MARCONI JR., PORTSMOUTH STUDENT, AND WINNER OF THE NATIONAL PEACE ESSAY CONTEST**

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Vincent Marconi Jr., a Portsmouth Senior High School student, on winning the first place in the State-level competition of the 10th annual National Peace Essay Contest sponsored by the United States Institute of Peace. This is certainly an accomplishment of which he should be very proud and I salute him for his achievement.

The contest, which is open to students in all American high schools, is designed to encourage serious and realistic thinking about issues of international conflict resolution. Vincent was asked to write an essay on managing and implementing peace agreements.

Vincent will receive a \$750 college scholarship and will compete for national awards of up to \$5,000. Vincent has also been invited to represent the

Granite State in a special program for State-level winners in Washington, DC.

I congratulate Vincent Marconi Jr. on his outstanding accomplishments. I commend his hard work and perseverance and wish him luck in competition for national awards.●

#### CONNECTICUT STUDENTS' ESSAYS ABOUT ELIMINATING RACISM

● Mr. DODD. Mr. President, I rise today to recognize a group of outstanding students from my home State of Connecticut. Each of these young people has been recognized by the greater Hartford regional YWCA for essays they wrote on the elimination of racism. As authors of the winning essays, these young people attended the second annual "In the Company of Women" luncheon with featured speaker Maya Angelou. I was privileged to attend that luncheon and meet some of the essay contest winners. Their words have inspired me and I am proud to share some of their insight with you today.

Danalyn Elder of Weaver High School in Hartford, says "I do not consider color (except perhaps if I am saying it is beautiful.)" Courtney Yuen of Hall High School in West Hartford talks about dreams " \* \* \* that offer a glimpse of a world without racism \* \* \*" Richardo Solomon of Bloomfield High School quotes Dr. Martin Luther King in considering whether people can " \* \* \* search deep down in their hearts to see a world without racism."

In her winning essay, Julie Meslin explains that "A world without racism would not be an easy place to live." Julie concludes, however, that " \* \* \* we would be pioneers in a movement that the human soul has longed for since the beginning of time. And it would be worth it." Frederick Jelks of Bloomfield High School describes the pursuit of a world without racism as a collective effort of individuals regardless of race or heritage. This effort, he explains, "will not happen over night. The change will come about gradually \* \* \* we may speed up that day when we can all kiss the glass of equality."

In his essay entitled "Color Me This," Greg Binstock of Hall High School considers the innocence of a young girl who loves all the colors of the rainbow equally and sees no reason to segregate the black and red pieces in a checkers game. In a moving biographical sketch, Radmila Khamzina shares her experiences with racism in her home country of Azerbaijan, and her insights on racism here in America.

Cheryl Vasquez of Wethersfield High School also uses personal experiences to share her thoughts on a world without racism. As a Puerto Rican girl, Cheryl has felt the pain of racism. In the end, she concludes that "A world without racism would be a world of more hope, a world of more dreams and a world of equality as God intended it to be." Samantha Allaire of Manchester High School discusses a world

without racism in which all employees receive equal opportunity and equal pay. This would produce a "more efficient and productive workforce altogether."

In his short story about a world without racism, Jamilla Deria of Weaver High School imagines a scenario in which his "Little Africa" is inhabited by people of every nationality, living in harmony. In this world, Jesus has "an afro and piercing black skin instead of having blonde hair and blue eyes." This seemingly mixed up world is, in the end, "groovy man, real groovy." Simshindo Msola of Weaver High School talks about the devastating effects that racism has had on members of the black community. The elimination of racism would enable African-Americans and indeed all people to perform to their fullest potential and "People would begin to have a positive and good attitude about themselves, and society at large would benefit and improve."

Nayoka Rose of Weaver High School sees a world without racism at "... the time of birth and death." Infants lay side by side in a nursery, regardless of color, creed or heritage, and at death we lay side by side as "... death knows no color or race." Michelle Davis of Weaver High School imagines a world without racism in which we would not have war, fewer people would be incarcerated and more people would have jobs. This world, Michelle says, does not have to be a dream.

Mizzara Belton of Weaver High School says that "The thought of excluding racism from my world is a joy." She envisions a society where the color of one's skin would not affect the treatment you receive in a department store, your educational opportunities or prospects for employment. Finally, Kelly Citroni of Bolton High School considers those who have died as a result of racism. The holocaust and slavery might never have happened, there would be no Ku Klux Klan, and Dr. Martin Luther King would not have been killed at the hands of a "... person prejudiced against his skin color." Our world, Kelly concludes, would experience "dramatic change for the better" without racism.

I am extremely proud of these young people and their thought-provoking essays. Each student is able to describe the beauty of a world without racism while sharing personal experiences and dreams.

These Connecticut students are well aware of the effects of racism. Most of them have experienced first-hand the pain of hatred and prejudice. Their essays, however, illustrate the hope that lies in each and every city throughout our great country. One must only stop to listen to the dreams of our youth to see that blossoms of hope and optimism are flourishing among us. These young people can help us appreciate that we do not have to live with racism. If we close our eyes and imagine all people are one, we can envision the joy of a world without racism.●

#### RECOGNIZING DAVID GIULIANI

● Mr. GORTON. Mr. President, it is no secret to my colleagues that perhaps the greatest contributor to our Nation's economic success is the hard work, perseverance and entrepreneurial spirit of America's small businessowners. It is, therefore, appropriate that the U.S. Small Business Administration has honored Washington State businessman, Mr. David Giuliani, as the National Small Business Person of the Year. Mr. Giuliani is president and chief executive officer of the Bellevue, WA, based Optiva Corp. which manufactures the Sonicare brand of toothbrushes. Starting Optiva as a technology transfer project from the University of Washington in 1988, Mr. Giuliani has overseen the company's progression from a startup business to an employer of 250 with sales of over \$50 million in 1995. With growth of this kind it is not surprising that, last October, Inc. Magazine recognized Optiva as the second-fastest growing private company in the entire nation. To celebrate its success at the production of its millionth toothbrush last year, Mr. Giuliani's company gave away more than 1,000 Sonicare toothbrushes to individuals who couldn't afford them on their own.

Mr. President, I am proud to represent a State that is home to such an outstanding businessman and citizen. Mr. Giuliani certainly deserves the title of Small Business Person of the Year.●

#### COMMENDING MARK D. CHAMBERLAIN FOR HIS ACT OF BRAVERY

● Mr. LEAHY. Mr. President, I recently received a letter that remarked upon the bravery and fortitude of a former U.S. Coast Guard member, Mark D. Chamberlain.

On a chilly, rainy winter day, three generations of the Chamberlain family, Dale, Mark, and Justin set out on snowshoes in a wooded area of Lyndonville, VT. After 5 hours of trekking in the woods, the eldest Chamberlain, Dale, attempted to forge an ice-covered river when the ice gave way and dragged him under. Mark, his son, managed to grab a hold of his coat and pull him back to safety amid the chunks of ice and strong river currents. Despite the fact that Dale was numb with cold, Mark assured his father that he would be fine and convinced him to begin walking. Mark led the party back to their vehicle and the three Chamberlains returned safely to the warmth of their home.

Mark Chamberlain, not only set an heroic example for his son, Justin, to admire and follow, he also demonstrated the strength of the bonds that tie families together.

Mr. President, I ask that an article about this experience which appeared in the Caledonian-Record be reprinted in the CONGRESSIONAL RECORD.

The article follows:



[From the Caledonian-Record, March 10, 1997]

ST. JOHNSBURY—FATHER CREDITS RESCUE TO DARING SON

(By Andrew Turner)

Dale Chamberlain knows a thing or two about life, now that he's looked death in the face and survived to tell about it.

On March 2, Chamberlain was snowshoeing with his son Mark and grandson Justin on his property in Lyndonville when tragedy nearly struck.

As Chamberlain tells it, the weather was about 45 degrees and drizzly that day, the kind of mid-winter thaw that deceives snow travelers so often.

Chamberlain, his son and grandson, had been trekking the woods near the South Wheelock River for about five hours, he estimated, before coming to the river.

"We were making tracks back to the river. I could hear the roar of the water draining into channels in the ice. Arriving at the river, I could see a possible way to cross," Chamberlain stated.

He said he began the attempt to cross and the way was slippery. Water covered the ice to roughly 6 inches deep in parts and he was able to use his ski poles to stabilize himself, poking the ice ahead of him to make sure that it was solid.

"I punched a hole in one area (and) the ice let go in the whole area around me. I went into the water and under the ice," Chamberlain recounted.

Chamberlain floundered in the water helplessly, his head just above the surface as ice continued to break away, making it impossible to grasp onto anything firm. Hindering him was the fact that his snowshoes had become tangled around each other. He couldn't move his arms or legs.

"My muscles were going numb. The only thing I was really aware of was the roar of the rushing water," he said.

The next thing that he remembered was the feeling of his son's hand on the back of his waterlogged jacket, tugging him out of the current of the water and eventually to the shore.

"He talked to me and assured me I was OK. He said he was going to stand me up. He said it wouldn't do me any good to just lie there," Chamberlain said.

Eventually they were able to get to their cars and make it home, and to warmth. Chamberlain never received medical treatment but was comforted by the fact that he had a son who challenged adversity to save his father's life.

"Thanks to the quick thinking and strength of my son I am still among the living. I now know that no matter how much experience you have in the woods the unex-

pected can always happen. I just thank God for Mark's ability to analyze the situation and spring into action immediately," he said.●

#### NATIONAL RACE FOR THE CURE

● Mr. THOMPSON. Mr. President, I want to lend my voice today to the thousands of women and men who are supporting the search for a cure to breast cancer.

Breast cancer is still the leading cause of mortality among American women between the ages of 35 and 54. In fact, odds are that one in every eight women will develop breast cancer in her lifetime.

The encouraging news is that early detection is very effective in curbing this disease. At the same time we continue efforts to find a cure, we must be equally diligent in our efforts to educate women about the importance of regular clinical and self examinations for breast cancer.

On June 7, Americans all over the country will again have the opportunity to show their concern by participating in the 1997 National Race for the Cure. The race is a series of 5k runs and a 1-mile walk sponsored by the Susan G. Komen Breast Cancer Foundation in Dallas.

I urge all of my colleagues, their spouses and staff to support the Capitol Hill Race for the Cure on June 7, where more than 50,000 are expected to participate. This event will help raise money for breast cancer research and education and bring us all closer to the day when a cure is found. ●

#### TRIBUTE TO MERCYMOUNT COUNTRY DAY SCHOOL, 1997 U.S. DEPARTMENT OF EDUCATION BLUE RIBBON SCHOOL

● Mr. REED. Mr. President, I rise today to recognize the achievement of Mercymount Country Day School of Cumberland, RI, which was recently honored as a U.S. Department of Education Blue Ribbon School.

As I think all in this chamber know, it is a highly regarded distinction to be named a Blue Ribbon School, since these schools represent some of the

cream of our educational crop. Through an intensive selection process beginning at the State level and continuing through a Federal Review Panel of 100 top educators, many of the very best public and private schools in the Nation are identified as deserving of this honor. These are schools that are particularly effective meeting local, State, and national goals. But, Mr. President, this honor is not about determining who is best, it is about learning what works in educating today's children—the leaders of tomorrow.

Now, more than ever, it is important that we make every effort to reach out to students, that we truly engage and challenge them, and that we make their education come alive. At the Mercymount Country Day School in Rhode Island, partnerships between parents and teachers have made an enormous difference in the education of their students. They have understood that the quality of education depends not only upon the efforts of schools and government; it also depends upon the ideas and innovation of parents and community. At Mercymount, parent-teacher cooperation has brought computers into the classroom, and their "Pull the Plug" on TV initiative has helped students get away from television sets and into reading and other challenging activities. Mercymount has also developed a wonderful fine arts program, and as research has shown, the pursuit of education in the arts at an early age improves a child's cognitive ability. Again, Mercymount is making a huge difference in the lives of its students.

Mr. President, the Blue Ribbon School initiative shows us the very best we can do for students, and the techniques that can be replicated in all schools to help all students learn. I am proud to say that in Rhode Island we can look to a school like Mercymount Country Day. Under the leadership of its principal, Sister Martha Mulligan, its capable faculty, and its improved parents, Mercymount will continue to be a shining example for years to come.●

#### FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

#### CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeff Bingaman:									
Singapore .....	Dollar .....		311.29						311.29
Malaysia .....	Dollar .....		143.02						143.02
Taiwan .....	Dollar .....		846.00						846.00
United States .....	Dollar .....				4,429.85				4,429.85
Patrick Von Borgen:									
Singapore .....	Dollar .....		1,003.50						1,003.50
Malaysia .....	Dollar .....		228.00						228.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Taiwan .....	Dollar .....		846.00						846.00
United States .....	Dollar .....				4,429.85				4,429.85
Steve Clemons:									
Singapore .....	Dollar .....		1,003.50						1,003.50
Malaysia .....	Dollar .....		228.00						228.00
Taiwan .....	Dollar .....		846.00						846.00
United States .....	Dollar .....				4,429.85				4,429.85
Marshall Salter:									
Guatemala .....	Dollar .....		378.00						378.00
El Salvador .....	Dollar .....		191.00						191.00
Nicaragua .....	Dollar .....		263.00						263.00
Panama .....	Dollar .....		139.00						139.00
United States .....	Dollar .....				1,001.95				1,001.95
Senator John McCain:									
Guatemala .....	Dollar .....		378.00						378.00
El Salvador .....	Dollar .....		191.00						191.00
Nicaragua .....	Dollar .....		263.00						263.00
Panama .....	Dollar .....		139.00						139.00
United States .....	Dollar .....				1,522.87				1,522.87
Richard D. DeBobs:									
Belgium .....	Franc .....		20.00						20.00
Bosnia and Herzegovina .....	Dollar .....		257.00						257.00
Richard D. DeBobs:									
Croatia .....	Dollar .....		185.00						185.00
Serbia .....	Dollar .....		236.00						236.00
Serbia .....	Dollar .....						48.00		48.00
Senator Carl Levin:									
Belgium .....	Franc .....		20.00						20.00
Bosnia and Herzegovina .....	Dollar .....		250.00						250.00
Croatia .....	Dollar .....		169.00						169.00
Serbia .....	Dollar .....		220.00						220.00
Serbia .....	Dollar .....						68.00		68.00
Marshall Salter:									
Bulgaria .....	Dollar .....		810.00						810.00
United States .....	Dollar .....				4,119.75				4,119.75
Senator John McCain:									
Bulgaria .....	Dollar .....		603.00						63.00
United States .....	Dollar .....				4,119.75				4,119.75
Frederick M. Downey:									
Hong Kong .....	Dollar .....		548.00						548.00
China .....	Dollar .....		996.00						996.00
United States .....	Dollar .....				4,699.95				4,699.95
Senator Joseph I. Lieberman:									
Hong Kong .....	Dollar .....		548.00						548.00
China .....	Dollar .....		996.00						996.00
United States .....	Dollar .....				4,699.95				4,699.95
Lucia Monica Chavez:									
Belgium .....	Franc .....	10,083	292.00						292.00
Poland .....	Zloty .....	1,604	526.00						526.00
Hungary .....	Forint .....	43,341	247.00						247.00
Hungary .....	Dollar .....		247.00						247.00
United States .....	Dollar .....				3,418.75				3,418.75
Senator James M. Inhofe:									
Belgium .....	Dollar .....		614.00						614.00
United States .....	Dollar .....				1,496.27				1,496.27
Total .....			15,181.31		38,368.79		116.00		53,666.10

STROM THURMOND,  
Chairman, Committee on Armed Services, May 8, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Mark Ashby:									
Switzerland .....	Franc .....	1,552.89	1,090.74					1,552.89	1,090.74
United States .....	Dollar .....				909.75				909.75
Kenneth I. Levinson:									
Switzerland .....	Franc .....	1,520.51	1,068.00					1,520.52	1,068.00
United States .....	Dollar .....				899.95				899.95
Carl W. Bentzel:									
Panama .....	Dollar .....		537.00						537.00
United States .....	Dollar .....				628.00				628.00
France .....	Franc .....	5,209.50	906.00					5,209.50	906.00
United States .....	Dollar .....				794.85				794.85
TOTAL .....			3,601.74		3,232.55				6,834.29

JOHN MCCAIN,  
Chairman, Committee on Commerce, Science, and Transportation, Apr. 28, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
David K. Garman:									
Russia .....	Roubles .....		847.00						847.00
United States .....	Dollar .....				1,753.55				1,753.55

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Judith Brown:									
Puerto Rico .....	Dollar .....	.....	1,640.67	.....	.....	.....	142.74	.....	1,783.41
Senator Frank Murkowski:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Senator Daniel Akaka:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Senator Slade Gorton:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Senator Craig Thomas:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
James O'Toole:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Kira Finkler:									
New Zealand .....	Dollar .....	3,484.84	2,334.90	.....	.....	.....	.....	3,484.84	2,334.90
Western Samoa .....	Dollar .....	.....	218.00	.....	.....	.....	.....	.....	218.00
Total .....		.....	20,357.97	.....	1,753.55	.....	142.74	.....	22,254.26

FRANK H. MURKOWSKI,  
Chairman, Committee on Energy and Natural Resources, May 1, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John Chafee:									
England .....	Pound .....	319.52	533.42	.....	.....	.....	.....	319.52	533.42
Germany .....	Mark .....	466.40	286.52	.....	.....	.....	.....	466.40	286.52
Bosnia .....	Dollar .....	.....	172.00	.....	.....	294.00	.....	.....	466.00
Italy .....	Lire .....	275,250	163.45	.....	.....	.....	.....	275,250	163.45
United States .....	Dollar .....	.....	.....	.....	1,246.25	.....	.....	.....	1,246.25
Daniel J. Corbett:									
England .....	Pound .....	389.52	636.98	.....	.....	.....	.....	389.52	636.98
Germany .....	Mark .....	566.40	348.32	.....	.....	.....	.....	566.40	348.32
United States .....	Dollar .....	.....	.....	.....	1,095.85	.....	.....	.....	1,095.85
John E. Seggerman:									
Germany .....	Mark .....	175.20	116.64	.....	.....	.....	.....	175.20	116.64
Bosnia .....	Dollar .....	.....	172.00	.....	.....	294.00	.....	.....	466.00
Italy .....	Lire .....	363,260	215.71	.....	.....	.....	.....	363,260	215.71
United States .....	Dollar .....	.....	.....	.....	1,079.75	.....	.....	.....	1,079.75
Total .....		.....	2,645.04	.....	3,421.85	.....	588.00	.....	6,654.89

JOHN H. CHAFEE,  
Chairman, Committee on Environment and Public Works, April 30, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1996

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr.:									
Canada .....	Dollar .....	535.55	387.15	.....	.....	75.60	.....	535.55	462.75
United States .....	Dollar .....	.....	.....	.....	629.00	.....	.....	.....	629.00
Daniel Bob:									
Canada .....	Dollar .....	440.98	318.18	.....	.....	.....	.....	440.98	318.18
United States .....	Dollar .....	.....	.....	.....	671.40	.....	.....	.....	671.40
Total .....		705.33	.....	1,300.40	.....	75.60	.....	.....	2,081.33

WILLIAM V. ROTH, JR.,  
Chairman, Committee on Finance, Feb. 28, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph R. Biden, Jr.:									
Russia .....	Dollar .....	.....	800.00	.....	.....	.....	.....	.....	800.00
Czech Republic .....	Dollar .....	.....	282.00	.....	.....	.....	.....	.....	282.00
Hungary .....	Dollar .....	.....	247.00	.....	.....	.....	.....	.....	247.00
Slovenia .....	Dollar .....	.....	125.00	.....	.....	.....	.....	.....	125.00
Italy .....	Dollar .....	.....	556.00	.....	.....	.....	.....	.....	556.00
United States .....	Dollar .....	.....	.....	.....	3,141.85	.....	.....	.....	3,141.85
Steve Biegun:									
Slovenia .....	Dollar .....	.....	191.00	.....	.....	.....	.....	.....	191.00
Austria .....	Dollar .....	.....	217.00	.....	.....	.....	.....	.....	217.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Slovakia .....	Dollar .....		166.00						166.00
Romania .....	Dollar .....		495.00						495.00
United States .....	Dollar .....				2,211.15				2,211.15
Germany .....	Mark .....	695.31	407.91					695.31	407.91
United States .....	Dollar .....				3,048.15				3,048.15
Michael Haltzel:									
Russia .....	Dollar .....		450.00						450.00
Czech Republic .....	Crown .....	4,418	150.17					4,418	150.17
Hungary .....	Forint .....	20,161	118.00					20,161	118.00
United States .....	Dollar .....				3,359.85				3,359.85
Gina Marie Hatheway:									
Canada .....	Dollar .....	387.81	295.55					387.81	295.55
United States .....	Dollar .....				884.10				884.10
Beth Wilson:									
Slovenia .....	Dollar .....		191.00						191.00
Austria .....	Dollar .....		217.00						217.00
Slovakia .....	Dollar .....		166.00						166.00
Romania .....	Dollar .....		495.00						495.00
United States .....	Dollar .....				2,211.15				2,211.15
Senator Charles S. Robb:									
Saudi Arabia .....	Dollar .....		142.00						142.00
Egypt .....	Pound .....	768.40	232.84					768.40	232.84
Bosnia .....	Dollar .....		314.00						314.00
Italy .....	Lira .....	503,700	300.00					503,700	300.00
United States .....	Dollar .....				5,281.85				5,281.85
Peter Cleveland:									
Saudi Arabia .....	Dollar .....		142.00						142.00
Egypt .....	Pound .....	768.40	232.84					768.40	232.84
Bosnia .....	Dollar .....		314.00						314.00
Italy .....	Lira .....	503,700	300.00					503,700	300.00
United States .....	Dollar .....				5,281.85				5,281.85
Total .....			7,547.31		25,419.95				32,967.26

JESSE HELMS,  
Chairman, Committee on Foreign Relations, Apr. 28, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Richard Durbin:									
United States .....	Dollar .....				4,426.75				4,426.75
Lithuania .....	Lita .....	3,721.30	935.00					3,721.30	935.00
Poland .....	Zloty .....	572.10	190.70	1,239.72	413.24			1,811.82	603.94
Dan O'Grady:									
United States .....	Dollar .....				1,714.75				1,714.75
Lithuania .....	Lita .....	3,721.30	935.00					3,721.30	935.00
Poland .....	Zloty .....	725.82	241.94	1,239.69	413.23			1,965.51	655.17
Trina Vargo:									
United States .....	Dollar .....				1,145.95				1,145.95
United Kingdom .....	Pound .....	298.13	477.00	143	229.60			441.13	706.60
Ireland .....	Pound .....	421.88	675.00	19	30.40			440.88	705.40
Total .....			3,454.64		8,373.92				11,828.56

ORRIN HATCH,  
Chairman, Committee on the Judiciary, Apr. 14, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Alfred Cumming .....			852.00						852.00
Randall Schieber .....			804.00						804.00
Senator Bob Graham .....			274.15						274.15
Senator Richard Bryan .....			153.45						153.45
Total .....			2,083.60						2,083.60

RICHARD SHELBY,  
Chairman, Select Committee on Intelligence, May 5, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM JANUARY 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Janice Helwig:									
United States .....	Dollar .....				3,092.65				3,092.65
Austria .....	Dollar .....		12,682.53						12,682.53
Marlene Kaufmann:									
United States .....	Dollar .....				1,307.85				1,307.85
Germany .....	Dollar .....		430.00						430.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM JANUARY 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Austria .....	Dollar .....		422.00						422.00
Total .....			13,534.53		4,400.50				17,935.03

ALFONSE D'AMATO,  
Chairman, Commission on Security and Cooperation in Europe, Apr. 2, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY AND DEMOCRATIC LEADERS FROM NOV. 21 TO NOV. 23, 1996

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr.: England .....	Pound .....	552.32	927.00					552.32	927.00
Senator Howell Heflin: England .....	Pound .....	487.43	814.00					487.43	814.00
Senator Ernest Hollings: England .....	Pound .....	552.32	927.00					552.32	927.00
Senator Orrin Hatch: England .....	Pound .....	552.32	927.00					552.32	927.00
Senator Charles Grassley: England .....	Pound .....	506.00	897.00					506.00	897.00
Senator Frank Murkowski: England .....	Pound .....	552.32	927.00					552.32	927.00
Senator John Breaux: England .....	Pound .....	552.32	927.00					552.32	927.00
Senator Daniel Akaka: England .....	Pound .....	552.32	927.00					552.32	927.00
Julia Hart: England .....	Pound .....	552.32	927.00					552.32	927.00
Ian Brzezinski: England .....	Pound .....	552.32	927.00					552.32	927.00
Virginia Koops: England .....	Pound .....	494.15	877.00					494.15	877.00
Barry Phelps: England .....	Pound .....	552.32	927.00					552.32	927.00
Delegation expenses: <sup>1</sup> England .....							3,355.00		3,355.00
Total: .....			10,931.00				3,355.00		14,286.00

<sup>1</sup> Delegation expenses include direct payments and reimbursements to the Department of State under authority of Section 502(b) of the Mutual Security Act of 1954, as amended by Section 22 of Public Law 95-384.  
TRENT LOTT, Majority Leader, and TOM DASCHLE, Democratic Leader,  
May 23, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM OCT. 1 TO DEC. 31, 1996

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher S. Bond: Indonesia .....	Rupiah .....	2,197.56	946.00			924.72	398.07	3,122.28	1,344.07
Malaysia .....	Dollar .....	906.48	359.00			922.28	365.26	1,828.76	724.26
Philippines .....	Peso .....	17,204.23	655.00			14,791.44	563.14	31,995.67	1,218.14
United States .....	Dollar .....				4,901.85				4,901.85
Senator Bill Frist: Indonesia .....	Rupiah .....	2,295.12	988.00			924.74	398.08	3,219.86	1,386.08
Malaysia .....	Dollar .....	1,530.15	606.00			922.28	365.26	2,452.43	971.26
United States .....	Dollar .....				6,286.85				6,286.85
Mark Tipps: Indonesia .....	Rupiah .....	2,295.12	988.00			924.72	398.07		1,386.07
Malaysia .....	Dollar .....	1,340.78	531.00			922.28	365.26	2,263.06	896.26
United States .....	Dollar .....				6,179.95				6,179.95
Total .....			5,073.00		17,368.65		2,853.14		25,294.79

TRENT LOTT,  
Majority Leader, May 17, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Connie Mack: Morocco .....	Dirham .....	2,677.83	305.34					2,677.83	305.34
Israel .....	Dollar .....		14.00						14.00
Randy Scheunemann: United States .....	Dollar .....				1,732.05				1,732.05
Slovenia .....	Dollar .....		229.00						229.00
Hungary .....	Forint .....	81,263.52	468.00					81,263.52	468.00
Romania .....	Dollar .....		497.00						497.00
Senator Connie Mack: Hong Kong .....	Dollar .....	4,698.18	607.00					4,698.18	607.00
China .....	Yuan .....	5,928.48	716.00					5,928.48	716.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM JAN. 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Japan .....	Yen .....	22,376.90	182.00	348,540	2,834.81	.....	.....	370,916.90	3,016.81
United States .....	Dollar .....	.....	.....	.....	2,689.00	.....	.....	.....	2,689.00
Gary Shiffman:									
Hong Kong .....	Dollar .....	3,939.66	509.00	.....	.....	.....	.....	3,939.66	509.00
China .....	Yuan .....	5,787.72	699.00	.....	.....	.....	.....	5,787.72	699.00
Japan .....	Yen .....	67,622.50	550.00	348,540	2,834.81	.....	.....	416,162.5	3,384.81
United States .....	Dollar .....	.....	.....	.....	2,672.00	.....	.....	.....	2,672.00
Total .....			4,776.34		12,762.67				17,539.01

TRENT LOTT,  
Majority Leader, Apr. 28, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE DEMOCRATIC LEADER FROM JAN. 1, TO MAR. 31, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jack Reed:									
Bosnia and Herzegovina .....	Dollar .....	.....	267.00	.....	.....	.....	.....	.....	267.00
Croatia .....	Dollar .....	.....	165.00	.....	.....	.....	.....	.....	165.00
Serbia .....	Dollar .....	.....	269.00	.....	.....	.....	.....	.....	269.00
United States .....	Dollar .....	.....	.....	.....	2,692.15	.....	.....	.....	2,692.15
Total .....			701.00		2,692.15				3,393.15

TOM DASCHLE,  
Democratic Leader, Apr. 28, 1997.

## EXECUTIVE SESSION

### EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar: Calendar No. 115, Elizabeth Moler, to be Deputy Secretary of Energy. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, and statements relating to the nomination appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

Mr. DASCHLE. Mr. President, reserving the right to object, and I will be brief because I know a lot of Senators want to depart, this will be the only opportunity we will have to express the hope that we could do better than what we have done this week, as good as it has been. The President has indicated tonight that he would be prepared to return the bill, the supplemental bill, to us tonight. There is no reason why, given that we could not vote on it tomorrow and send it back in time for him to sign it before the end of the week, because we are not going to be in—that is the announcement made by the majority leader—many of us believe that we need to vote against adjournment simply because it is our hope to stay in until the President returns the bill, giving us the opportunity to vote on it one more time this week.

I thank the majority leader for yielding. I have no objection to the unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

#### DEPARTMENT OF ENERGY

Elizabeth Anne Moler, of Virginia, to be Deputy Secretary of Energy.

Mr. DOMENICI. Mr. President, Elizabeth Anne (Betsy) Moler brings a strong record to the Deputy Secretary of Energy position. She has performed very ably in her previous leadership of the Federal Energy Regulatory Commission, and her past background with the Senate Energy and Natural Resources Committee will stand her in good stead in dealings with Congress. Two of her many accomplishments with FERC involved crafting order 636, which unbundled and largely deregulated the natural gas pipeline industry. And since 1992, she has led the Commission's deregulation of electricity utility markets—and she can now continue that leadership through her role within the Department. In all her previous assignments, Betsy Moler has demonstrated a keen analytical approach to complex issues. The Department will benefit from her abilities.

She has a formidable task ahead of her, together with Secretary Peña, to attack the stifling bureaucratic foundations of the Department and root out the serious inefficiencies that plague the Department's operations. Quickly moving to external safety and health regulation of the national laboratories, on a time scale far shorter than the leisurely one proposed by the Department, and slashing the micro-management of the Department will be challenges exceeding those that she faced at FERC.

I look forward to working with Deputy Secretary Betsy Moler and Secretary Peña to help shape the Department into a critical and highly valued contributor to national priorities.

### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

### EMERGENCY SUPPLEMENTAL APPROPRIATION FOR THE FISCAL YEAR 1997—CONFERENCE REPORT

Mr. LOTT. Mr. President, I will observe that I am expecting and hoping that the President will sign the bill, and therefore there would be no necessity for further action. But if he does not, we will act further as soon as we get that information.

I might also note that the House has not yet acted, and I do not know when that may be, although I presume it will be sometime later on in the evening. As soon as they act, we will move expeditiously to get the enrollment and send the package down to the President.

#### GEORGE C. MARSHALL MONTH

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 97 submitted earlier today by Senator WARNER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 97) expressing the sense of the Senate that the President



should designate the month of June 1997, the 50th anniversary of the Marshall Plan, as George C. Marshall Month, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WARNER. Mr. President, on June 5, 1947—50 years ago today—Gen. George Catlett Marshall, delivered remarks at Harvard University's commencement exercises which would change the course of history. In that speech, General Marshall outlined the necessity for and goals of what would later be known as the Marshall plan.

In 1947, 2 years after the end of World War II, Europe was struggling to recover from the devastation of the war. Millions were dead, 5,000 cities had been destroyed, and countless industries laid in ruin. Yet, while recognizing the very apparent physical destruction, Marshall remarked during his speech that, "this visible destruction was probably less serious than the dislocation of the entire fabric of European economy."

Marshall continued, "It is logical that the United States should do whatever it is able to do to assist in the return of the normal economic health in the world, without which there can be no political stability and no assured peace."

In the following years, over \$13 billion in economic relief and technical assistance was provided to the 16 European nations which chose to participate in the program. From 1948 to 1951, the 4 years of the Marshall plan, industrial production in Europe increased 36 percent.

With the return of economic stability, political stability throughout Western Europe soon followed. As a result, Europe—and indeed the entire Western World—has enjoyed an unprecedented period of peace and prosperity.

For his vision and commitment, General Marshall received the Nobel Peace Prize in 1953.

Several years after the enactment of the Marshall plan, Winston Churchill wrote, "Succeeding generations should not be allowed to forget his achievements and his example." I am proud to say that two organizations in the Commonwealth of Virginia are dedicated to preserving and promoting in society Marshall's ideals and values of disciplined selfless service, hard work, integrity and compassion. They are the George C. Marshall Foundation and the George C. Marshall International Center.

The George Marshall Foundation, located in Lexington, VA, overlooks the campus of Marshall's alma mater, the Virginia Military Institute. In addition to a memorial to a great American leader, the George Marshall Foundation building contains a museum, archive and library for research concerning his life and times. The foundation's programs include scholarly pub-

lications and conferences and public education on U.S. military and diplomatic history in the 20th century.

The George C. Marshall International Center is located in Leesburg, VA, at the Dodona Manor, the home of George Marshall. The George Marshall International Center seeks to ensure that Marshall's vision and legacy are not forgotten by preserving Dodona Manor for posterity and fostering educational programs. "The Marshall Plan: Against All Odds," a documentary film underwritten by the center will air on PBS on Saturday, June 6 at 9 pm.

Tonight, the George Marshall International Center and George Marshall Foundation will host a gala dinner honoring the Soldier-Statesman and his influence on the 20th century.

On April 23, 1997, I introduced Senate Joint Resolution 27 to designate the month of June 1997, the 50th anniversary of George Marshall's speech, as George C. Marshall Month. The resolution recognizes the efforts of the George Marshall Foundation in Lexington, VA, the George Marshall International Center in Leesburg, VA, and the Friends of Marshall in Uniontown, PA, to continue in American life the values for which Gen. George Catlett Marshall stood.

Further, this resolution calls upon all Americans to rededicate themselves to the ideals of public service, hard work, integrity, and compassion which General Marshall represents to this day in American society.

Senate Joint Resolution 27 was favorably reported out of the Judiciary Committee on June 3 and is before the full Senate today. I ask my colleagues to support this important resolution today as a fitting tribute to an extraordinary American.

Mr. LOTT. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 97), with its preamble, reads as follows:

S. RES. 97

Whereas 1997 marks the fiftieth year since the European Recovery Program, or what came to be called the Marshall Plan, was first conceived and proclaimed by General George Catlett Marshall while he was serving as Secretary of State of the United States.

Whereas the Marshall Plan has been hailed by leaders of World War II allied and enemy countries alike as the most magnanimous act by Americans in history;

Whereas the Marshall Plan made possible new measures of trans-Atlantic cooperation through the North Atlantic Treaty Organization and other institutions;

Whereas these institutional developments have profoundly enhanced the security, freedom, and prosperity of the United States and the Atlantic Community generally;

Whereas new challenges have arisen which call for recommitment to and reinvigoration of these institutions and for their continued viability;

Whereas creative thought and rededication to the ideals and principles undergirding the Marshall Plan are now necessary in order to assure the preservation and perfection of these institutions; and

Whereas the occasion of the fiftieth anniversary of the Marshall Plan provides a fitting opportunity for rededication of commitments to these institutions: Now, therefore, be it.

Resolved, That it is the sense of the Senate—

(1) that magnanimity underlies the Marshall Plan, the dedication to public service and integrity of its author, and the efforts by the Marshall Foundation in Lexington, Virginia, the Marshall International Center in Leesburg, Virginia, and the Friends of Marshall, Uniontown, Pennsylvania, to continue in American life the values for which General George Catlett Marshall stood;

(2) that all Americans should rededicate themselves to the ideals of public service, hard work, integrity, and compassion which General Marshall represents to this day in American society; and

(3) that the values that inspired the initiation of the Marshall Plan should continue to be cherished by the people of the United States.

SEC. 2. It is, further, the sense of the Senate that the President should issue a proclamation designating the month of June 1997 as "George C. Marshall Month" and calling upon the people of the United States to observe George C. Marshall Month with appropriate programs, ceremonies, and activities.

Mr. WARNER. Mr. President, may I just express my appreciation to the distinguished leadership and to the Members of the Senate.

#### UNANIMOUS-CONSENT REQUEST

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Monday, June 9, and that on Monday, immediately following the prayer, the routine requests through the morning hour be granted.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. I object.

The PRESIDING OFFICER. Objection is heard.

#### VOTE ON MOTION TO ADJOURN

Mr. LOTT. Mr. President, I move the Senate stand in adjournment until 12 noon on Monday, June 9.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Hampshire [Mr. JEFFORDS], the Senator from Pennsylvania

[Mr. SANTORUM], and the Senator from Oklahoma [Mr. INHOFE] are necessarily absent.

I further announce that if present and voting, the Senator from New Hampshire [Mr. JEFFORDS] would vote “yea.”

Mr. FORD. I announce that the Senator from Connecticut [Mr. LIEBERMAN] is necessarily absent.

The PRESIDING OFFICER (Mr. ENZI). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 51, nays 45, as follows:

[Rollcall Vote No. 97 Leg.]

#### YEAS—51

Abraham	Faircloth	McCain
Allard	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Roberts
Brownback	Grassley	Roth
Burns	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee	Hatch	Smith (NH)
Cochran	Helms	Smith (OR)
Collins	Hutchinson	Snowe
Coverdell	Hutchison	Specter
Craig	Kempthorne	Stevens
D'Amato	Kyl	Thomas
DeWine	Lott	Thompson
Domenici	Lugar	Thurmond
Enzi	Mack	Warner

#### NAYS—45

Akaka	Byrd	Feingold
Baucus	Cleland	Feinstein
Biden	Coats	Ford
Bingaman	Conrad	Glenn
Boxer	Daschle	Graham
Breaux	Dodd	Harkin
Bryan	Dorgan	Hollings
Bumpers	Durbin	Inouye

Johnson	Leahy	Reid
Kennedy	Levin	Robb
Kerrey	Mikulski	Rockefeller
Kerry	Moseley-Braun	Sarbanes
Kohl	Moynihan	Torricelli
Landrieu	Murray	Wellstone
Lautenberg	Reed	Wyden

#### NOT VOTING—4

Inhofe	Lieberman
Jeffords	Santorum

The motion was agreed to.

#### ADJOURNMENT UNTIL MONDAY, JUNE 9, 1997

The PRESIDING OFFICER. The Senate stands adjourned until 12 noon Monday next.

Thereupon, the Senate, at 7:09 p.m., adjourned until Monday, June 9, 1997, at 12 noon.

#### NOMINATIONS

Executive nominations received by the Senate June 5, 1997:

##### IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

##### *To be lieutenant general*

MAJ. GEN. WILLIAM J. BEGERT, 0000

##### IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

##### *To be general*

LT. GEN. ERIC K. SHINSEKI, 0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

##### *To be lieutenant general*

MAJ. GEN. ROBERT S. COFFEY, 0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

MAJ. GEN. JOHN W. HENDRIX, 0000

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED WHILE IN THE RESERVE OF THE ARMY UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

##### *To be colonel*

ROBERT R. BOTTIN, JR., 0000

JAMES E. LOUIS, 0000

DIANE P. ROUSSEAU, 0000

#### THE JUDICIARY

ROBERT CHARLES CHAMBERS, OF WEST VIRGINIA, TO THE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA VICE ELIZABETH V. HALLANAN, RETIRED.

CHRISTOPHER DRONEY, OF CONNECTICUT, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF CONNECTICUT VICE ALAN H. NEVAS, RETIRED.

JANET C. HALL, OF CONNECTICUT, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF CONNECTICUT VICE T.F. GILROY DALY, DECEASED.

KATHARINE SWEENEY HAYDEN, OF NEW JERSEY, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE H. LEE SAROKIN, ELEVATED.

#### CONFIRMATION

Executive nomination confirmed by the Senate June 5, 1997:

##### DEPARTMENT OF ENERGY

ELIZABETH ANNE MOLER, OF VIRGINIA, TO BE DEPUTY SECRETARY OF ENERGY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.